

Item 1 – Cover Page

Wilshire-Pennington Group, Inc.
3129 NW 63rd Street
Oklahoma City, OK 73116
(405)751-8600

Date of Brochure: July 2014

www.wilshire-pennington.com

This brochure provides information about the qualifications and investment advisory business practices of Wilshire-Pennington Group, Inc. (also doing business under the name Wilshire-Pennington Wealth Advisors). If you have any questions about the contents of this brochure please contact us at 405-751-8600 Danny@wilshire-pennington.com The information in this brochure has not been approved or verified by any state securities authority.

Additional information about my investment advisory business is also available on the Internet at www.adviserinfo.sec.gov. You can view my information on this website by searching for “Wilshire-Pennington Group, Inc.” You can also search using the firm’s CRD numbers. The CRD number for the firm is **127465**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

This item discusses specific material changes that are made to the Disclosure Brochure and provide readers with a summary of such changes. The last annual update of this Disclosure Brochure was made in March 2014.

With this annual update filing dated March 2014, we updated Item 4 – Advisory Business to report the amount of regulatory assets under management as of December 31, 2013.

Clients and prospective clients can always receive the most current Disclosure Brochure for Wilshire-Pennington Group, Inc. by contacting Danny Kennedy, at 405-751-8600 or danny@wilshire-pennington.com. We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

The Wilshire-Pennington Group, Inc. is an investment advisor registered with the state of Oklahoma and is also a Corporation formed under the laws of the State of Oklahoma.

The Wilshire-Pennington Group, Inc. also does business under the name Wilshire-Pennington Wealth Advisors.

This brochure will refer to The Wilshire-Pennington Group, Inc. and Wilshire-Pennington Wealth Advisors generically as Wilshire-Pennington.

The Wilshire-Pennington Group, Inc. has been a registered investment advisor since 4/2007.

B. Daniel Kennedy, III is the company President and Principal owner.

General Description of Primary Advisory Services

The following are brief descriptions of our primary services. A detailed description of our services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Financial Planning Services – We provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Asset Management Services – We provide advisory services in the form of Asset Management Services. Asset Management Services involve providing clients with continuous and on-going supervision over client accounts. This means that we will continuously monitor a client's account and make trades in client accounts when necessary.

Specialization

The firm specializes in providing individualized investment advice through its asset management services.

- Financial planning focusing on Small Business Owner issues such as insurance and employee benefit programs.
- Retirement planning, wealth transfer/estate planning and education planning
- Investment Management specializing in selection of mutual fund portfolios
- Investment Management specializing in selection of equities and fixed income investments
- Investment Management specializing in an a suitable asset mix of equities, Exchange Traded Funds, fixed income, options, other general securities and mutual funds
- Investment management services focusing on quantitative analysis, technical analysis and fundamental analysis.

- Investment management focusing on long-term strategies, short-term strategies, short-selling techniques and market timing. These strategies include the use of:
 - High risk investments: High risk investments are highly speculative and are those investments that if the market moves in your favor can return higher yields, however these investments can also be extremely volatile and can expose your investment to a greater chance of losing some or all of your investment. High risk investments are only appropriate for investors that are comfortable with the potential loss of their investment. High risk investments include penny stocks, international stocks, some types of Forex (currency) trades, etc.
 - Moderate risk investments: Moderate risk investments are appropriate for clients that are interested in investing for the long term and are looking to earn moderate yields. Moderate risk investments are usually certain kinds of stocks, bonds and mutual funds that have demonstrated growth over the long term. While moderate risk investments generally expose your investments to a higher degree of risk than conservative investments or saving money in a bank, clients that are looking to invest for the long term, historically you may be able to grow your investment. Moderate risk investments usually use the power of compound interest and time to create a portfolio from 10 to 40 years with regular systematic investments.
 - Conservative risk investments: Conservative risk investments offer investors an investment strategy designed to way to save money for the short or long term without the higher levels of risks involved in other investment strategies discussed above. Conservative risk investments are appropriate for investors whose investment strategy focuses on protecting their investments from the risk of loss. While low risk investments don't offer high returns, they do offer stability and security for those that can't afford to lose money or would just like to avoid as much risk as possible Conservative risk investments usually return lower yields, but are less volatile than many other types of investments. Low risk investments include money market funds, certificate of deposits and some types of bonds.
- Investment management seeking to take advantage of the opportunities provided to clients willing to accept a higher degree of risk in exchange for the opportunity to potentially benefit from extreme market movements using Inverse and Leverage Exchange Traded Funds. Inverse and leveraged ETF's are higher risk investments that seek to profit from movements in the underlying index. Unlike traditional mutual funds, shares of ETFs typically trade throughout the day on a securities exchange at prices established by the market.
 - An inverse ETF is designed to track, on a daily basis, the opposite of its benchmark performance. An inverse ETF might provide a result similar to short-selling the stocks in the benchmark index.
 - A leveraged ETF might be designed to go up or down by a multiple of its underlying index. Leveraged and inverse ETFs utilize short selling, derivatives trading, and other complex investment techniques, such as commodity futures trading to achieve their objectives.

Limits Advice to Certain Types of Investments

We provide investment advice on the following types of investments.

- Exchange-listed securities (i.e. stocks)
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Exchange Traded Funds
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities

Although we generally provide advice only on the investment types listed above, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives. When providing Asset Management Services, the firm will typically construct each client's account holdings using mutual funds, exchange traded funds and equities to build diversified portfolios. We may modify our investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Participation in Wrap Fee Programs

We do not offer services through wrap-fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), we will receive all or a portion of the fee charged.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client Assets Managed by Wilshire-Pennington

The amount of clients assets managed by us totaled \$55,000,000 as of December 31, 2013. All accounts are managed on a discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in Item 4 – Advisory Business, this section provides details regarding Wilshire-Pennington's services along with descriptions of each service's fees and compensation arrangements.

Wilshire-Pennington provides customized investment strategies and believes the best way to provide advisory services that are most appropriate is through a deep understanding of our clients. We request that clients interested in utilizing the Wilshire-Pennington Investment Management Services will have engaged in prerequisite Financial Planning Services. This is a valuable process, designed to prepare financial planning advice and recommendations, as well as enable us and the client to reach a mutual understanding and discovery of the client's unique needs, goals and expectations. The process can also help to guide clients to make decisions with purpose, to better determine the steps to achieve stated goals, and can assist us in building a comprehensive financial and investment plan for the client.

FINANCIAL PLANNING SERVICES

Financial Planning Services begin with a data-gathering and analysis of the client's stated needs, financial goals and objectives, risk tolerance, age, tax status, net worth, income and other relevant factors. We will request input and information from the client, including financial information in conjunction with past financial history, present financial condition, and investment goals. These may include planning for short-term goals (such as college funding) or for long-term goals (such as retirement planning) or other segments of an investment plan that may be desired. The information gathered for review and assessment may vary, depending upon the individual needs and objectives as stated by the client. Information presented by the client will be deemed reliable and current. The adviser may also request information regarding the utilization of other Advisors (e.g., attorney, accountant, banker, etc.), family background, and other circumstances that may affect the client economically, based upon what information is reported by the client.

The Financial Planning Services are included as a part of the Wilshire-Pennington Investment Management Service and may involve the creation of capital accumulation or capital distribution plans, a tax plan, and/or tracking the client's annual savings progress. We may offer comprehensive planning services or the client may desire advice on certain planning components. We will assist the client with the development and implementation of a comprehensive financial plan. Wilshire-Pennington can tailor services as desired by the client. When Financial Planning Services only focus on certain areas of client interests, needs or is otherwise limited, clients must understand that a client's overall financial and investment needs and objectives may not be considered as a result of time and/or service restraints placed on our services.

The advice provided may include recommendations for updates and reviews. During the course of the Investment Management engagement, we will remain available to the client for client-initiated updates and annual reviews. All clients are invited to attend Wilshire-Pennington's complimentary Financial Planning Symposiums.

The Financial Planning Symposiums are workshops that focus on general investment and financial planning issues that may be of interest to clients.

Investment Management Services

Investment Management Services are continuous and ongoing in nature and involve the frequent (no less than quarterly) monitoring and review of underlying portfolio assets.

Using the client's initial and any subsequent data-gathering interview(s), we will provide recommendations and advice for the creation of a new investment portfolio or updates to an existing portfolio along with strategies designed to help clients meet their stated objectives. We may consider various investment programs that may assist the client in meeting their stated investment objective. Thereafter, we provide ongoing monitoring of the portfolio, which entails reviews and monitoring of third-party adviser performance, if applicable.

Wilshire-Pennington provides investment advisory services primarily through the selection of individual common stocks, preferred stocks, mutual funds, exchange traded funds (ETFs), inverse or leveraged exchange traded funds and/or fixed income securities. We may consider various other investment programs that may assist the client in meeting the desired investment objectives. The nature of services is tailored to the type of client and is agreed upon at the time of engagement.

Portfolios are generally reviewed on an ongoing basis, however reviews could also occur at the time of new deposits, material changes in client's financial information, changes in the market, as often as the client may prefer as agreed to at engagement, or at our discretion. Reviews entail analyzing client portfolios, securities, sensitivity to overall markets, economic changes, investment results and asset allocation, etc., to help ensure the investment strategy and expectation are structured to continue to meet clients' stated needs and objectives

We encourage frequent client contact but will seek out contact no less than annually. However, clients are obligated to promptly notify us of any changes in the client's financial status to provide us and client the opportunity to review current circumstances to help ensure our investment strategies continue to meet the client's changing needs or to determine if there needs to be a change in investment objectives and strategies. Clients may call the office at any time during normal business hours to discuss his/her account, financial situation or investment needs directly with an Advisory Representative of Wilshire-Pennington.

Clients will receive transactional statements and regular account statements from their custodian or brokerage firm. Wilshire-Pennington may also prepare reports based upon the informational needs of the client, written strategies, post-meeting communications or any other communication at the discretion of the Adviser.

Clients have the ability to leave standing instructions with us to refrain from investing in particular industries, invest in limited amounts of securities, request third-party checks or electronic fund transfers (sent from the custodian directly to the client's address or account of record), and to re-balance portfolios. Clients will have a direct and beneficial interest in his/her securities, rather than an undivided interest in a pool of securities. Clients retain the authority to vote proxies and clients are responsible for ensuring the proxy materials are sent directly to them or to their designated third party representative. Wilshire-Pennington does not and will not have custody of clients' funds or securities with the exception of the limited ability to deduct investment advisory fees and only with the client's authorization.

ADVISORY FEES

Combined Financial Planning and Investment Management Fee Schedule:

The following schedule reflects the total combined investment management fee and financial planning fee reflected in the previous schedules:

<u>Assets Under Management</u>	<u>Annual Percentage</u>
Up to \$500,000	1.45%
\$500,001 up to \$1,000,000	1.24%
\$1,000,001 up to \$2,500,000	0.903%
\$2,500,001 up to \$5,000,000	0.752%
Over \$5,000,000	0.601%

There is no separate charge for the preparation of Financial Plans. Fee will be billed monthly in arrears and will be deducted from the client accounts unless other arrangements are made. The monthly fee is based upon the portfolio's market value assigned by the client's custodian as of the end of the last trading day of the preceding month. If services are initiated at any time other than the beginning of a calendar month, fees will be prorated. In absence of a custodial market value, the value will be agreed upon between the Adviser and client with input from at least one independent third party.

In certain cases and at our discretion, advisory fees are modified based on the nature of services to be provided and the complexity of the client's situation. Fees may also be modified for pre-existing relationship or in cases when additional time and effort are required. Investment Management fees are determined at the time of engagement, fees are outlined in the Advisory Agreement. Fees will not be based upon a share of capital gains or capital appreciation of the funds of any portion of funds of an advisory contract (no "performance fees"). Fees are not collected for services to be performed more than six months in advance and in excess of \$500. The aforementioned advisory fees represent fees for advisory services only. Clients pay transaction and brokerage fees to broker/dealers and/or custodial firms. A current list of transactions fees is available upon request.

Additional Fees

In addition to the Adviser's compensation, clients will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses) and charges imposed by the client's account custodian. Brokerage commissions, transaction ticket charges and other service fees charged by the account custodian will be billed directly to the client by the account custodian. We will not receive any portion of such commissions or fees from the custodian or the client. Additionally, the client may incur certain imposed by third parties other than us in connection with mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by us are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company's security prospectus which will be provided to clients.

Investment Management fees charged by Wilshire-Pennington are also separate and distinct from fees charged by the account custodian. Fidelity Institutional is the custodian for all managed, discretionary accounts. The custodian's fees are described below.

Third Party Fees- Fidelity Institutional

Asset Based Pricing Tiers

- \$100,000.00 - \$250,000.00 = 25 Basis Points
- \$250,000.01 - \$500,000.00 = 20 Basis Points
- \$500,000.01 - \$1,000,000.00 = 15 Basis Points
- \$1,000,000.01 - \$2,000,000.00 = 10 Basis Points
- \$2,000,000.01 - \$5,000,000.00 = 8 Basis Points
- \$5,000,000.01 – above = 5 Basis Points

Accounts under \$100,000.00 will be on a transaction based pricing schedule as follows:

- Transaction Fee Mutual Funds =
 - \$25/ trade (\$5/ Periodic Investment or Systematic Withdrawal Plan trade)
- Options =
 - \$7.95 + \$0.75 per contract
- Equities =
 - \$7.95 for the first 10,000 shares in a trade + .01/share thereafter IF YOU ARE ENROLLED IN E-DELIVERY
 - \$12.95 for the first 1,000 trades + .015/share thereafter if you are not enrolled in e-delivery.
 - Manual Equity Trades = \$0.05/share + \$29.95 **minimum**

Additional Details

- Fidelity Institutional charges- annual fee per account - \$300/\$75 per quarter note at closing of accounts either by advisor or client- Wilshire-Pennington will bill on behalf of Fidelity Institutional the outstanding quarterly fees.

Non-Billable ABP Assets

- Fidelity Mutual Funds (includes money market position traded funds)
- No Transaction Fee Funds
- Fcash (cash sweep)

Fidelity reserves the right to change the funds available without transaction fees and reinstate the fees on any funds. Fidelity will charge a short-term trading fee each time you sell or exchange shares of Institutional FundsNetworkSM No Transaction (NTF) funds held less than 60 days (short-term trade) with certain exceptions. If these funds are held for more than 60 days, they may be sold without a short-term trading fee. Fidelity funds, money market funds, funds redeemed through a systematic withdrawal program, shares purchased through a periodic purchase program, and shares purchased through dividend reinvestment may be sold without this fee. Fidelity Investments reserves the right to exempt certain funds (including funds that allow short-term trading) or accounts from this fee.

The fee will be based on the following fee schedule:

- 0.50% of the principal amount of the transaction
- Maximum: \$200
- Minimum: \$30

Please be aware that certain Institutional FundsNetworkSM funds may be subject to separate and additional redemption fees imposed by the particular fund. Please refer to that fund's current prospectus for details. Fidelity Brokerage Services LLC, or its brokerage affiliate, may receive remuneration for providing certain recordkeeping or shareholder services to these fund families.

TERMINATION OF SERVICES

Clients may terminate the Client Agreement without penalty (full refund or no fees due) within 5 business days of signing the Agreement. Alternatively, after 5 business days, Financial Planning and Investment Management services may be terminated by either party giving written notice at least thirty (30) days prior to the date on which the termination is to be effective. Final advisory fees are calculated in arrears pro rata based on the number of days services were provided prior to receipt of notice of termination through the date of termination.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Wilshire-Pennington. generally provides investment advice to the following types of clients:

- Individuals,
- Trusts, estates or charitable organizations
- Corporations or business entities other than those listed above

Minimum Investment Amounts Required

The firm has not set a minimum account size requirement We reserve the right to decline services to any person or firm at our discretion. Unaffiliated third party management firms may impose minimum portfolio sizes, as described in their disclosure materials.

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

Wilshire-Pennington Group, Inc. uses the following methods of analysis in formulating investment advice.

Charting - The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Cyclical - Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

Fundamental - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Wilshire-Pennington uses the following investment strategies when managing client assets and/or providing investment advice.

Wilshire-Pennington attempts to measure an investor's goal, risk tolerance and time horizon through an interview and data-gathering process in an effort to determine a plan/portfolio to best fit the investor's profile. The Adviser will rely on the information provided by the client and is not obligated to verify the accuracy of information or reports provided.

Investment strategies may be based upon a number of concepts and determined by the type of investor and the investor's stated goals, objectives, time horizon and other factors. Portfolios, advice and recommendations are based upon a client's goals, objectives, investment time horizon and risk tolerance using the information the client provides. Investment strategies used to implement investment advice are generally long-term in nature and primarily utilize a "buy and hold" philosophy. Investment strategies may include short-term purchases depending upon the individual needs and objectives of the client. Third-party management programs may employ modified or alternative methods of analysis and strategies. Therefore, clients should read over the disclosures provided by third-party management firms prior to engaging these services.

The concept of asset allocation or spreading investments among a number of asset classes (domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) is generally in the forefront of our strategies. At its heart, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk while not sacrificing the effectiveness of the portfolio in an effort to help yield the client's objectives. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice for clients.

Recommendations for purchases of investments will be based on publicly available reports or analysis. In the case of mutual funds, recommendations will be based on reports and analysis of performance and managers, and certain computerized and other models for asset allocation and investment timing. Wilshire-Pennington utilizes many sources of public information to include financial news and research materials.

Specifically Wilshire-Pennington will employ the following Investment Strategies:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Trading. Investments sold within 30 days.

Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, ETFs and bonds) involve the risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, my 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 are certain additional risks associated when investing in securities through my investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- 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.
- 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.

- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs 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. Leveraged and Indexed ETFs are not suitable for all investors and should only be viewed as hedging and speculation tools that may be appropriate for clients willing to accept the higher levels of risk.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

While the Wilshire-Pennington Group does not feel the matter significantly impacted the firm; we feel that it in order to meet our regulatory disclosure requirements it is important to disclose that in 2009 & 2010, our company President and principal owner, B. Daniel Kennedy, III was named as a defendant in 3 civil actions in District Court in Oklahoma and Texas. The complaints each sought damages in excess of \$1 million. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter had to be settled by the Broker Dealer since Xelan was no longer in business. Mr. Kennedy was associated with on 11/30/2011 for \$541,970.00. Mr. Kennedy did not contribute to the settlement. There was no finding of any fault on the part of Mr. Kennedy.

District Court in Oklahoma

Case Number CJ-2010-5400 Filed on 07/14/2010 by Basel Hassoun and James Slater claimed that Mr. Kennedy persuaded the clients to participate in a 419 Plan that did not meet the IRS Tax Code requirements for 419 Plans. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter had to be settled by the Broker Dealer since Xelan was no longer in business. For \$ 294,580.00 Mr. Kennedy did not contribute to the settlement. There was no finding of fault on the part of Mr. Kennedy.

Case Number CJ-2010-32 Filed on 02/09/2010 by Vivek & Sangeeta Khetpal claimed that Mr. Kennedy persuaded the clients to participate in a 419 Plan that did not meet the IRS Tax Code requirements for 419 Plans. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter was settled by the Broker Dealer Mr. Kennedy was associated with on 11/30/2011 for \$593,450.00. Mr. Kennedy did not contribute to the settlement. There was no finding of any fault on the part of Mr. Kennedy.

District Court in Texas

Case Number (#08-13325) Filed on 01/16/2009 by Dr. Mark Wilson, Dr. Scott Robertson and Dr. Michael McGinnis claimed that Mr. Kennedy persuaded the clients to participate in a 419 Plan that did not meet the IRS Tax Code requirements for 419 Plans. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter was settled by the Broker Dealer Mr. Kennedy was associated with on 11/30/2011 for \$541,970.00. Mr. Kennedy did not contribute to the settlement. There was no finding of any fault on the part of Mr. Kennedy.

Item 10 – Other Financial Industry Activities and Affiliations

Wilshire-Pennington is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) pension consultant, (9) real estate broker or dealer, or (10) sponsor or syndicator of limited partnerships.

Insurance Activities

While Wilshire-Pennington Groups' primary business involves providing investment advice; Wilshire-Pennington Group is licensed as an insurance agency and our Investment Advisor Representatives are licensed as an independent insurance agent through various insurance companies. You are never obligated or required to use purchase insurance products through me or my firm in our separate

insurance capacities; however, when acting in our separate capacities, Wilshire-Pennington Group can help you purchase insurance products and will receive separate compensation (i.e. insurance commissions) in addition to investment advisory fees charged.

Wilshire-Pennington Group spends approximately 1% of our time offering insurance products.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

CODE OF ETHICS

We take the issue of regulatory compliance seriously and are committed to maintain compliance with state and applicable federal securities laws. Additionally, we have a position of public trust and it is our goal to maintain that trust; provide excellent service, good investment performance; and suitable advice. We place great value on ethical conduct. Therefore, the ultimate goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by us.

Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, we are a fiduciary to each and every client. As fiduciaries, Investment Advisers owe their clients several specific duties. An Investment Adviser's fiduciary duties include:

- Providing advice that is suitable;
- Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and honest disclosure in order to make an informed decision about services of the Adviser and about investment recommendations);
- The utmost and exclusive loyalty and good faith;
- Best execution of transactions under the available circumstances;
- Exercising reasonable care to avoid ever misleading clients;
- Only acting in the best interests of clients.

It is our policy to protect the interests of each of our clients and to place the clients' interests first and foremost in each and every situation we will abide by honest and ethical business practices to include, but not limited to:

- We will not induce trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account.
- We will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the customer and we will document suitability.
- We, along with our Advisory Representatives, will not borrow money from clients.

- We will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information we receive.
- We will not recommend that the client place an order to purchase or sell a security through a broker/dealer or agent, or engage the services of a broker/dealer that is not licensed, based upon information available to us.
- Our staff will report all required personal securities transactions to B. Daniel Kennedy, President of Wilshire-Pennington Group.

All applicable securities rules and regulations will be strictly enforced. We will not permit and have instituted controls against insider trading. Advisory Representatives and administrative personnel who do not follow our Code of Ethics or whom, in any way, violate securities rules and regulations, or who fail to report known or suspect violations, will be disciplined or terminated. Such persons could also face action by the securities regulators. Clients and prospective clients are welcome to request a copy of our Code of Ethics by contacting our office.

We emphasize the unrestricted right of clients to decline to implement any advice rendered, in whole or part. Where we are granted discretionary authority of the client's accounts, clients are welcome to set investment parameters and/or limitations in writing and such direction is followed until such time the client's instructions are amended in writing.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Clients should be aware that they may incur other fees to unaffiliated third parties such as retirement plan administrative fees, deferred sales charges on mutual funds initially deposited into the account, 12(b)(1) fees and other mutual fund fees as described in the Prospectus of each fund. The client will bear charges and the fees/charges of other programs, which may involve investments in mutual funds. This also applies to programs that may maintain cash balances in money market funds. In addition, some mutual funds may pay annual distribution charges, the aforementioned "12(b)(1) fees" which come from fund assets, and thus, indirectly from client assets. The Advisory Representatives of Wilshire-Pennington acknowledge the fiduciary responsibility to obtain best execution on behalf of clients.

At times our interests, or related persons' accounts, may coincide with the interests of clients' accounts; however, at no time will we or any related person receive an added benefit or advantage over clients with respect to these transactions. In any case, we will place the interests of clients ahead of our interests or our representatives in each instance. We will maintain records of personal securities transactions that are required to be reported to the Chief Compliance Officer. All applicable securities rules and regulations will be strictly enforced. We will not permit insider trading.

Affiliate and Employee Personal Securities Transactions Disclosure

Wilshire-Pennington or its Advisory Representatives may buy or sell securities or have an interest or position in their personal account in a security that they also recommend to clients.

We are and shall continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*. As these situations may represent a potential conflict of interest, it is our policy

that no Advisory Representatives shall prefer his or her own interest to that of the advisory client. No person employed by us may purchase or sell any security prior to a transaction or transactions being implemented for an Advisory client account. Officers, Advisory Representatives and employees shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, from information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry. We maintain a list of all securities holdings for ourselves and all Advisory Representatives and access persons, this list and all Personal Securities Transactions of our associated persons are reviewed on a regular basis by B. Daniel Kennedy, President of Wilshire-Pennington Group.

At times associated persons may invest in the same or similar securities as clients. The associated person's orders will not be placed ahead of the clients' or to the contrary of the advice given to the client.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Wilshire-Pennington. If the firm assists in the implementation of any recommendations, Wilshire-Pennington is responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, Wilshire-Pennington looks at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with my existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

Wilshire-Pennington exercises reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

Brokerage Recommendations

If you elect to utilize my management services Wilshire-Pennington recommends that you establish a brokerage account at Fidelity. Fidelity provides Wilshire-Pennington with access to their institutional trading and custody services, which are typically not available to retail investors. The services from Fidelity include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Fidelity also makes available to Wilshire-Pennington other products and services that Wilshire-Pennington may benefit from but may not benefit your accounts. Some of these other products and services assist us in managing and administering client accounts. These include software and other technology that:

- Provide access to client account data (such as trade confirmation 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 our fees from client accounts
- 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 our accounts. Fidelity also makes available other services intended to help me manage and further develop our business. These services may include:

- Consulting, publications and conferences on practice management
- Information technology
- Business succession
- Regulatory compliance
- Marketing.

In addition, Fidelity may make available, arrange and/or pay for these types of services rendered to Wilshire-Pennington by independent third-parties providing these services to me. As a fiduciary, Wilshire-Pennington endeavors to act in your best interest. My requirement that you maintain your assets in accounts at Fidelity may be based in part on the benefit to me 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 Fidelity. This creates a potential conflict of interest.

Wilshire-Pennington is independently owned and operated and not affiliated with Fidelity. You are under no obligation to act on my recommendations.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. We may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

We will never benefit or profit from trade errors.

Aggregation of Client Orders-Block Trading Policy

We generally aggregate (or bunch) trades when executing transactions for our various clients. Aggregation is more often undertaken in firms processing large orders of securities in order to realize more effective trade execution and the cost efficiencies that come from executing larger order sizes. Therefore, the fees associated with services may be higher or lower than at other financial institutions. Clients are encouraged to discuss any questions that may arise regarding investment policies throughout the course of our engagement. Additionally, clients are welcome to utilize a financial services provider of their choice if executing their own securities transactions. However, if the selected service provider chosen is not among the Adviser's affiliated broker/dealer's approved list of service providers, our advisory representatives may not participate in these transactions.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Investment management is an ongoing service and involves frequent monitoring and review of portfolio assets. No other services offered by us include reviews unless specifically provided for in the Client Agreement. Portfolios are generally reviewed no less than quarterly, however reviews could also occur at the time of new deposits, material changes in the client's financial conditions, as requested by the client and at our discretion. We will review the underlying portfolio assets, current market conditions, investment results, asset allocation, manager performance, etc., to ensure investment strategy and expectations continue to meet the client's stated goals and objectives. In the case of mutual funds, we will review economic changes and fund performance in and out of each particular fund and how it relates to the industry and to the market in general, adherence to style, equity style box and any fund management changes. We encourage frequent client contact. However, clients are obligated to promptly notify us of any changes in the client's financial status to ensure our investment strategies continue to meet the client's changing needs. All decisions and account reviews are performed by Advisory Representatives under the direction of B. Daniel Kennedy, President and CCO of Wilshire-Pennington

Statements and Reports

The custodian for the individual client's account also provides the client with an account statement at least quarterly, and depending on the account custodian, the client may be able to view the account online via the Internet. For clients whose funds are held directly with mutual fund companies, they will receive periodic account statements directly from the fund companies.

Wilshire Pennington Group may prepare various reports relating to services, and post meeting communications at our discretion, or if agreed to at engagement.

You are urged to compare the reports and other communications provided by Wilshire-Pennington Group against the account statements you receive directly from your account custodian.

Item 14 – Client Referrals and Other Compensation

ADDITIONAL COMPENSATION

Wilshire-Pennington does not directly or indirectly compensate anybody for client referrals,

As noted previously, WP-Inc. recommends that clients open asset management accounts with Fidelity. While there is no direct linkage between the investment advice given and the participation in the custodians' service programs, economic benefits are received which would not be otherwise, if we did not give advice to clients.

We may have the opportunity to receive traditional "non-cash benefits" from the custodian such as customized statements; receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk servicing advisory program participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access (for a fee) to an electronic communication network for client order entry and account information; access to mutual funds which generally require significantly high minimum initial investments or those that are otherwise only generally available to institutional investors; reporting feature; receipt of regulatory compliance communications; and perhaps discounts on business-related products.

Computer real-time software may be purchased through custodial service providers or independent companies to facilitate sending and receiving account information. Advisory Representatives are not Registered Representatives of Fidelity. We have no written or verbal arrangements whereby we receive soft dollars.

Wilshire-Pennington's associated persons, does not receive commissions from the execution of securities transactions. In addition, associated persons do not receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus.

Wilshire-Pennington's associated persons that are licensed as insurance agents may receive commissions and other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of this compensation may affect the judgment of Wilshire-Pennington's associated persons when recommending products to its clients.

While Wilshire-Pennington's associated persons endeavor at all times to put the interest of the clients first as a part of Wilshire-Pennington's fiduciary duty, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Certain product sponsors may provide Wilshire-Pennington with other economic benefits as a result of sales activities directed to them, including but not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, tools to assist Wilshire-Pennington in providing various services to clients such as reporting programs and portfolio analysis and direction of brokerage transactions to Wilshire-Pennington's associated persons' broker-dealer.

Prior to the acceptance of or delivery of any consideration, Advisory Representatives must be provided authorization and approval from our Chief Compliance Officer. A record will be maintained of all considerations received for review by clients and regulatory bodies upon request.

The only form of other compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this brochure. We receive no other forms of compensation in connection with providing investment advice.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented. Wilshire-Pennington is deemed to have custody of client funds and securities whenever Wilshire-Pennington is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Wilshire-Pennington will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Wilshire-Pennington is deemed to have custody, I have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. **Clients should carefully review those statements and are urged to compare the statements against reports received from Wilshire-Pennington.** When clients have questions about their account statements, they should contact Wilshire-Pennington or the qualified custodian preparing the statement.

When fees are deducted from an account, Wilshire-Pennington is responsible for calculating the fee and delivering instructions to the custodian. At the same time Wilshire-Pennington instructs the custodian to deduct fees from your account; Wilshire-Pennington will send you an invoice itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Item 16 – Investment Discretion

INVESTMENT AUTHORITY

We may maintain limited power of attorney to execute trades and discretionary trading authority as evidenced by the Engagement Letter or Client Agreement. When discretionary trading authority is granted to us, without prior consultation with the client, we may (a) buy, sell, exchange, convert and otherwise trade in any stocks, bonds and other securities including money market instruments, and (b) place orders for the execution of such transactions with or through such brokers, dealers, or issuers as we may select. We do not have authority to withdraw funds or securities and will not take custody of your assets, with the exception of the ability to deduct investment advisory fees via a qualified custodian with

the proper client authorization. Clients retain the authority to vote proxies and are responsible for ensuring that all proxy materials are sent directly to them or their designated representative(s).

If you decide to grant trading authorization only on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

We do not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Upon request from the client, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by our firm. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us.

Item 18 – Financial Information

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

B. Daniel Kennedy III, President. CRD Number: 1744933

Educational Background:

Oklahoma State University, Stillwater, OK, B.S. in Business Finance - 1975

Business Experience:

Wilshire-Pennington , Inc., Oklahoma City, OK President and Investment Advisor Representative	01/2004 – Present
Cambridge Investment Research, Inc., Fairfield, IA Registered Representative	06/2005 – 08/2012

Allen Fredrick, Investment Advisor Representative. CRD Number: 2781863

Educational Background:

Northeast Missouri State University, 1987 (No degree conferred)
Central Missouri State University, 1989-1994 (No degree conferred)

Business Experience:

Wilshire-Pennington , Inc., Oklahoma City, OK Investment Advisor Representative	05/2013 – Present
Unemployed, Olathe, KS Homemaker	05/2011 – 05/2013
Bankers & Investors Company, Inc., Kansas City, KS Registered Representative	07/2009 – 05/2011
Brokers International Financial Services, Panora, IA Owner	05/2008 – 07/2009
300 Financial, Scottsdale, AZ Insurance Salesman	05/2008 – 07/2009

Other Business Activities

Please see *Item 10 – Other Financial Industry Activities and Affiliations*.

No Performance Based Fees

As previously disclosed in *Item 6*, Wilshire-Pennington does not charge or accept performance-based fees.

PRIVACY POLICY

Wilshire-Pennington, as a Registered Investment Advisory Firm, is covered under the definition of a “financial institution” under the Gramm-Leach-Bliley Act and in conjunction with State privacy rules. We are therefore subject to the rules relating to privacy protection. The privacy rules require every broker, dealer, Investment Company, and registered investment adviser to adopt policies and procedures reasonably designed to safeguard customer records and information. Advisers must disclose if nonpublic personal information is shared with unaffiliated third parties and provide clients the ability to opt out of information sharing. We maintain compliance under the Act.

The types of information we may collect during the normal course of business may include: information provided from applications, forms and other information provided to us either verbally or in writing, and include but are not limited to your name, address, phone number, account information, social security number, employment, assets, income and debt; information about your transactions, accounts, trading activity and parties to transactions; beneficiary and health information (for insurance); information from other outside sources and any other information that is deemed to be nonpublic personal information as defined by the Gramm-Leach-Bliley Act and State privacy rules.

Our staff realizes that providing personal information is an act of trust and takes the issue of protecting privacy seriously. We value our clients’ trust and confidence. We will never sell the nonpublic personal information we obtain from consumers or clients.

All information provided by clients to us, (including our staff), and information and advice furnished by us to clients, shall be treated as confidential and shall not be disclosed to non-affiliated third parties, except as permitted by clients with written authorization, by application to facilitate the investment advisory services offered by us via an unaffiliated financial services provider, by client’s application to facilitate insurance services through an unaffiliated insurance company, or as required by law, any rule or regulation of the regulatory or self-regulatory organization (or supervisory authority) to which Wilshire-Pennington and its staff may be subject.

Our policy to protect client information extends beyond the termination of the engagement letter or client agreement. Client data is scanned into electronic records, which are kept within a secure computer network. Client information is retained for the time period required by regulators and is then safely destroyed via in-house shredding.

Consumers who provide nonpublic personal information to us but never become clients also receive privacy protection. Original information received will be promptly returned to the consumer. Copies of

information received may be maintained on file for up to a year and thereafter it is safely destroyed via in-house shredding.

We maintain client and consumer records in a controlled environment and records are only available to authorized persons of ours who have a need to access client information in order to deliver advisory or administrative services, or as needed to respond to client requests. Clients are encouraged to discuss any questions regarding our privacy policies and procedures directly with B. Daniel Kennedy, President and Chief Compliance Officer of the Adviser.

DISASTER/CONTINGENCY PLAN

Our development and maintenance of a Disaster/Contingency Plan (“DCP”) is required by securities rules and regulations. The DCP provides us with a plan to address disaster recovery and business continuity issues. The primary objective of our DCP process is to provide us with a documented plan that will permit an efficient and timely resumption of business operations in the event of an interruption, in order to ensure the continuity of business for its clients.

We are reasonably prepared to continue its operations in the event of a disaster. Clients of ours can expect that our phone lines, in the event of a service interruption, will forward to operational lines via the same or an alternate service carrier. Communication is also possible via e-mail or cellular phone services. We have identified alternate office locations it may utilize, if needed, and the practice can be operational within a short period of time. Our records are backed up electronically and in duplicate (the second copy is retained both on and off-site in a secure location). We do not custody client assets, therefore, access to accounts will still be available via the clients’ custodial services provider(s). If clients should have any questions or concerns with regard to our Disaster/Contingency preparedness, they are welcome to contact B. Daniel Kennedy, President..

Information Required by Part 2B of Form ADV: *Brochure Supplement – B. Daniel Kennedy, III*

The following are responses to each item found in the Form ADV Part 2B instructions.

Item 1 – Cover Page

B. Daniel Kennedy, III
Wilshire-Pennington Group, Inc.
3129 NW 63rd Street
Oklahoma City, OK 73116

(405)751-8600

This brochure supplement provides information about B. Daniel Kennedy, III that supplements this Disclosure Brochure. You should have received a copy of that brochure. Please contact B. Daniel Kennedy, III at (402)707-2823 if you did not receive Wilshire-Pennington Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about B. Daniel Kennedy, III is available on www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Benjamin Daniel Kennedy, III, President Born: 1951, CRD Number 1744933

Education Background

Oklahoma State University, Stillwater, OK, B.S. in Business Finance - 1975

Business Experience

Wilshire-Pennington Group, Inc., Oklahoma City, OK
President and Investment Advisor Representative 01/2004 – Present

Cambridge Investment Research, Inc., Fairfield, IA
Registered Representative 06/2005 – 08/2012

Item 3 – Disciplinary Information

While the Wilshire-Pennington Group does not feel the matter significantly impacted the firm; we feel that it in order to meet our regulatory disclosure requirements it is important to disclose that in 2009 & 2010, our company President and principal owner, B. Daniel Kennedy, III was named as a defendant in 3 civil actions in District Court in Oklahoma and Texas. The complaints each sought damages in excess of \$1 million. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter had to be settled by the Broker Dealer since Xelan was no longer in business. Mr. Kennedy was associated with on 11/30/2011 for \$541,970.00. Mr. Kennedy did not contribute to the settlement. There was no finding of any fault on the part of Mr. Kennedy.

District Court in Oklahoma

Case Number CJ-2010-5400 Filed on 07/14/2010 by Basel Hassoun and James Slater claimed that Mr. Kennedy persuaded the clients to participate in a 419 Plan that did not meet the IRS Tax Code requirements for 419 Plans. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter was settled by the Broker Dealer Mr. Kennedy was associated with on 11/30/2011 For \$ 294,580.00 Mr. Kennedy did not contribute to the settlement. The was no without any finding of fault on the part of Mr. Kennedy.

Case Number CJ-2010-32 Filed on 02/09/2010 by Vivek & Sangeeta Khetpal claimed that Mr. Kennedy persuaded the clients to participate in a 419 Plan that did not meet the IRS Tax Code requirements for 419 Plans. Mr. Kennedy denied all of the allegations in that he did not make the recommendations to the clients and was not involved in providing tax advice. Tax advice was provided by outside legal counsel procured by Xelan, Inc. Mr. Kennedy was an employee of Xelan. Xelan filed bankruptcy July 15, 2003 leaving employees exposed for their advice. The matter was settled by the Broker Dealer Mr. Kennedy

was associated with on 11/30/2011 for \$593,450.00. Mr. Kennedy did not contribute to the settlement. There was no finding of any fault on the part of Mr. Kennedy.

Item 4 – Other Business Activities

Please see Item 10 and Item 19 of this Disclosure Brochure for details regarding other business activities.

Item 5 – Additional Compensation

Other than the fees detailed in Item 5 of this Disclosure Brochure, B. Daniel Kennedy, III receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

B. Daniel Kennedy, III is the President and CEO of Wilshire Pennington Group, Inc. and ultimately responsible for the firm's compliance program including establishing procedures designed to monitor and supervise the activities and services provided by the firm and its supervised persons. Mr. Kennedy's phone number (405)751-8600.

Item 7 – Requirements for State-Registered Advisers

B. Daniel Kennedy, III has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. Please refer to item 3 above for information related to certain Civil Matters Mr. Kennedy has been involved in. However he has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.

Information Required by Part 2B of Form ADV: *Brochure Supplement – Allen Lee Frederick*

The following are responses to each item found in the Form ADV Part 2B instructions.

Item 1 – Cover Page

Allen Lee Frederick
Wilshire-Pennington Group, Inc.
Main Office:
3129 NW 63rd Street
Oklahoma City, OK 73116

Branch Office:
729 N. Crest Ridge
Wichita, KS 67230

800-264-5815

This brochure supplement provides information about Allen L. Frederick that supplements this Disclosure Brochure. You should have received a copy of that brochure. Please contact B. Daniel Kennedy, III at (402)707-2823 if you did not receive Wilshire-Pennington Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Allen Frederick is available on www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Allen L. Frederick, Investment Advisor Representative Born: 1969, CRD Number 2781863

Education Background

Northeast Missouri State University, 1987 (No degree conferred)
Central Missouri State University, 1989-1994 (No degree conferred)

Business Experience

Wilshire-Pennington , Inc., Oklahoma City, OK Investment Advisor Representative	05/2013 – Present
Unemployed, Olathe, KS Homemaker	05/2011 – 05/2013
Bankers & Investors Company, Inc., Kansas City, KS Registered Representative	07/2009 – 05/2011
Brokers International Financial Services, Panora, IA Owner	05/2008 – 07/2009

Item 3 – Disciplinary Information

Mr. Frederick has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Please see Item 10 and Item 19 of this Disclosure Brochure for details regarding other business activities.

Item 5 – Additional Compensation

Other than the fees detailed in Item 5 of this Disclosure Brochure, Allen Frederick receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

B. Daniel Kennedy, III is the President and CEO of Wilshire Pennington Group, Inc. and ultimately responsible for the firm's compliance program including establishing procedures designed to monitor and supervise the activities and services provided by the firm and its supervised persons. Mr. Kennedy's phone number (405)751-8600.

Item 7 – Requirements for State-Registered Advisers

Allen Frederick has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.

Information Required by Part 2B of Form ADV: Brochure Supplement – Benjamin D. Kennedy, IV
The following are responses to each item found in the Form ADV Part 2B instructions.

Item 1 – Cover Page

Benjamin D. Kennedy, IV
Wilshire-Pennington Group, Inc.
Main Office:
3129 NW 63rd Street
Oklahoma City, OK 73116

800-264-5815

This brochure supplement provides information about Benjamin D. Kennedy, IV that supplements this Disclosure Brochure. You should have received a copy of that brochure. Please contact B. Daniel Kennedy, III at (402)707-2823 if you did not receive Wilshire-Pennington Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Benjamin D. Kennedy, IV is available on www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Benjamin D. Kennedy, IV; Born: 1981, CRD Number 5023746

Educational Background

Oklahoma City University, 2005 (no degree conferred)

Business Experience

Wilshire-Pennington Group, Inc., Oklahoma City, OK Investment Advisor Representative	02/2012 – Present
Cambridge Investment Research, Inc., Fairfield, IA Registered Representative	02/2012 - 06/2012
Personal Health, Edmond, OK Trainer	02/2007 - 02/2012

Item 3 – Disciplinary Information

Benjamin Daniel Kennedy, IV has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Please see Item 10 and Item 19 of this Disclosure Brochure for details regarding other business activities.

Item 5 – Additional Compensation

Other than the fees detailed in Item 5 of this Disclosure Brochure, Benjamin D. Kennedy, IV receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

B. Daniel Kennedy, III is the President and CEO of Wilshire Pennington Group, Inc. and ultimately responsible for the firm's compliance program including establishing procedures designed to monitor and supervise the activities and services provided by the firm and its supervised persons. Mr. Kennedy's phone number (405)751-8600.

Item 7 – Requirements for State-Registered Advisers

Benjamin Daniel Kennedy, IV has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.