

Item 1:Cover Page



WEALTH SOLUTIONS, INC.

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Form ADV Part 2B
Brochure Supplement

Richard Blair

5 October 2022

This brochure supplement provides information about Richard Blair (CRD#: 2256412) that supplements the Wealth Solutions Inc. Firm brochure. You should have received a copy of that brochure. Please contact Richard Blair if you did not receive the Wealth Solutions Inc. Firm brochure, or if you have any questions about the contents of this supplement.

Additional information about Richard Blair is also available on the SEC's website at www.adviserinfo.sec.gov.

Richard Blair**Item 2: Educational Background and Business Experience**

There is one principal of Wealth Solutions, Inc., Richard Blair is President, CCO, and CIO. Mr. Blair was born in 1968. His information is as follows:

Education

B.S., Business Administration, 1991 University of Houston, Houston, TX

Masters of Science in Financial Services, 2016 Institute of Business & Finance, San Diego, CA

Business History

After graduating from college, Mr. Blair immediately entered the financial services industry in 1993. He founded his own independent firm, Wealth Solutions. 1993 – Present, Principal, President, and CIO at Wealth Solutions, Inc.

Professional Designations (see back page for information on these designations/certifications).

Certified Annuity Specialist® (CAS®), Certified Estate and Trust Specialist® (CES®), Certified Fund Specialist® (CFS®), Certified Income Specialist® (CIS®), Certified Tax Specialist® (CTS®), Retirement Income Certified Professional® (RICP®)

Item 3: Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation.

While a Principal of the broker-dealer, in December 2010, FINRA initiated an action against the Registrant's Principal, Richard Blair which was settled in June 2012. The allegations stated that the Principal failed to notify FINRA of a civil action that was filed by a vendor concerning commission advances in a timely manner, failed to disclose these advances as a liability on the firm's books and records, and failed to timely disclose six customer complaints. The events in question occurred in 2009. The firm had an outsourced FINOP who failed to properly account for the commission advances in the general ledger. The firm has also retained the services of an outside compliance consultant who disagreed with FINRA's assessment of the customer complaints which they viewed as customer service related and not actual complaints. In addition, they failed to update FINRA concerning a disagreement with a vendor regarding commission payments. This matter was settled to avoid additional legal expenses and Richard Blair did not admit or deny the allegations. Mr. Blair was fined \$7,500 by FINRA.

In June 2013, FINRA initiated an inquiry relating to BD and RIA sales to clients of COLE REIT shares that occurred from 2009-2012, U-4 inconsistencies and failure to file a customer complaint. Upon the advice of his attorney, Richard Blair did not file the customer complaints as they were ultimately dismissed. There were never any issues relating to the suitability of the product. The COLE prospectus described two offering options. One for BD's and one another for RIA's BD sales had an offering price of \$10 per share with a 7%

commission being paid by the issuer to the BD. In other words, if the client purchased \$25,000 of shares at \$10 per share, that entire principle amount was applied to the share purchase. The RIA sales were based on a price of \$9.30 per share, but the investors would be subject to his/her advisor's annual management fees, custodian expenses, etc. COLE confirms that 96% of all sales were effected through BD's. No client ever complained about this investment. Blair, his retained compliance experts and counsel provided an analysis establishing that over the long term holding of this investment, clients would have incurred higher annual management fees and custodial costs that would have offset their paying the higher initial purchase price (\$10 versus \$9.30). Blair also inadvertently charged certain clients a management fee during the same quarter that the firm had received selling commissions. The firm immediately offered to reimburse said clients for the overcharge of the advisory fee. On March 17, 2015, FINRA's Hearing Panel indicated that FINRA's Department of Enforcement did not prove by a preponderance of the evidence that Blair violated FINRA rules with regard to failure to disclose material information regarding the sale of the COLE REIT shares. The Hearing Panel did conclude that Blair failed to disclose two customer complaints on his Form U4. However, his attorney at the time advised that these complaints were not reportable and should not be reported. Should he become a registered representative of a FINRA member firm, he will be suspended in all capacities for four months, and fined \$17,500.

In October 2015, FINRA initiated a Revocation. Pursuant to FINRA Rule 8320, Richard Blair's FINRA registration was revoked for failure to pay fines and/or costs. As of October 2020, this Revocation has been rescinded.

In April 2016, Arkansas initiated a Cease-and-Desist Order from further violations of Arkansas Securities Act until he is properly registered with the Department. Richard Blair was not registered with the Arkansas Securities Department as required by the Arkansas Securities Act and Rules of the Arkansas Securities commissioner and transacted business with Arkansas residents exceeding the de minimis exception. Richard Blair had six clients and the de minimis exception is five clients. The state of Arkansas disagreed with Richard Blair's assertion that two of the people were actually one household and should not be counted as two separate households.

Item 4: Other Business Activities

Mr. Blair is not affiliated with a broker-dealer nor has any relationship with any issuer of securities. Mr. Blair is a licensed insurance agent and receives compensation from the sale of insurance products. He devotes approximately 15% of his time to this activity.

Item 5: Additional Compensation

Mr. Blair is a licensed insurance agent and receives compensation from the sale of insurance products.

Item 6: Supervision

As the Chief Compliance Officer of Wealth Solutions Inc. Richard Blair supervises all activities of the firm. Richard Blair adheres to applicable regulatory requirements, together with all policies and procedures outlined in the firm's code of ethics and compliance manual. Richard Blair's contact information is on the cover page of this disclosure document.

Item 7 – Requirements for State Registered Advisers

State Registered Investment Advisers are required to disclose if a supervised person has been involved in any legal or disciplinary events. Mr Blair's disciplinary information is as follows:

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Professional Certifications / Designations

A **Certified Annuity Specialist® (CAS®)** is a certified expert in fixed-rate and variable annuities. The CAS designation is issued by the Institute of Business & Finance (IBF) through a six-module self-study program and requires 30 hours of continuing education every two years. The course includes three exams and a case study administered by the Financial Industry Regulatory Authority (FINRA). According to FINRA, a candidate must complete the following requirements to obtain the CAS designation:

1. Prerequisite—a bachelor's degree or 2,000 hours of financial services work experience
2. Complete a self-study program of six modules
3. Pass three exams and a case study
4. Complete continuing education requirements of 30 hours every two years

The IBF created the designation in 2006 to focus on building financial advisors' knowledge of annuities. The certification boosts an individual's knowledge of fixed and variable annuities, as well as annuity contracts, titling options, living benefits, and litigation issues. The IBF calls the course intermediate-to-advanced and can be beneficial for financial advisors, as well as financial planners, bankers, brokers, accountants, or money managers. The course also focuses on portfolio theory, which can be useful for analyzing annuity products

A **Certified Estate and Trust Specialist® (CES®)**, is a professional services designation granted by the Institute of Business & Finance. A person with this designation is educated as to the wellbeing of individuals and businesses. The CESTM can provide basic and advanced guidance on a wide range of estate, postmortem and tax planning issues.

A **Certified Fund Specialist® (CFS®)**, is a financial industry professional certified in providing mutual funds assistance. In order to become a certified fund specialist, a certificate must be acquired from the Institute of Business & Finance (IBF). Certified fund specialists can be accountants, bankers, brokers, money managers, personal financial advisors, and other professionals within the financial industry. In addition to holding a certificate, certified fund specialists must fulfill 30 hours of education every two years. Before taking the exam, a prospective CFS must have a bachelor's degree or 2,000 hours of work experience in the financial services industry and have completed the IBF self-study program consisting of six modules.

The **Certified Income Specialist® (CIS®)** designation program at IBF is an intermediate-to-advanced course on investment concepts, cash reserves, FDIC coverage, utilities, preferreds, bonds, and other income-oriented options that are of concern to some investors. IBF's CIS program is unique because there is a focus

on taxes, academic research, real-world examples, plus investor psychology and program content is updated throughout the year to reflect new trends and studies. A (CIS®) professional is trained to develop and implement comprehensive financial strategies for individuals, businesses, and organizations to objectively assess financial status, identify potential problem areas, and recommend appropriate options.

A (CIS®) Candidate must have either a bachelor's degree or 2,000 hours of financial services work experience, complete a Self-Study Program (six modules), pass three exams and complete a case study. Continuing Education Requirements include 30 hours every two years

Certified Tax Specialist® (CTS®), s financial certification by Institute of Business and Finance (IBF). CTS certification provides knowledge and strategies on how to reduce clients' tax obligations. Moreover, the certification provides guidance in taxation matters. IBF requires renewal of the certification every two years including 30 hours of continuing education to renew certification.

A **Retirement Income Certified Professional® (RICP®)** specializes in retirement income planning. The designation is given to professionals who complete the RICP training program offered by the American College of Financial Professionals. RICPs help retirees and near-retirees use the assets they have accumulated for retirement sustainably. RICP applicants must have three years' worth of business experience. Students take three courses and must pass an exam for each.