

Virtus Private Wealth Management

SEC File No. 801-63975

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Disclosure Brochure

July 24, 2012

This brochure provides information about the qualifications and business practices of Virtus Private Wealth Management. If you have any questions about the contents of this brochure, please contact us at 512.891.1230. 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.

Virtus Private Wealth Management is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Virtus Private Wealth Management also is available on the SEC's website at www.adviserinfo.sec.gov

Material Changes

On August 12, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which revises the format of Form ADV Part 2 from a “check-the-box” form to a narrative brochure written in plain English. This brochure dated March 31, 2011 is prepared according to the new Form ADV Part 2 format. As a result, Virtus Private Wealth Management (“Virtus, we, us, our, ours”) is providing you with a brochure that not only looks different, but contains more information than our earlier disclosure documents.

We have offered or delivered information about our qualifications and business practices to clients on an annual basis. We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of our last annual update of our brochure.

Our current brochure may be requested by contacting Marcy Steward, Director of Operations, at 512.891.1230. We will provide you with a brochure at any time without charge.

Additional information about us and about persons affiliated with us who are registered as our investment adviser representatives (“your advisory representative”) is also available via the SEC’s website, at www.adviserinfo.sec.gov. Information regarding your advisory representative can also be found in the supplement to this brochure on the page shown in the table of contents to the right of this column.

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CRD Number 133705

Advisory Business

Virtus is a partnership organized under the laws of the State of Texas. Terrell F. Gates and Marcy Steward founded the Austin, TX-based investment advisory firm in 2004 and, through a limited partnership, Gates is the principal owner. Virtus is an SEC registered investment advisory firm.

We provide investment advisory services to accomplished entrepreneurs.

Investment Management Services

We offer both direct management services as well as access to third party money managers.

Direct Management

We act as portfolio managers for the program. We work with you to identify your investment goals and objectives as well as risk tolerance in order to create an initial portfolio allocation designed to complement your financial situation and personal circumstances. The portfolio may consist of a variety of investments including but not limited to, equities, fixed income securities, mutual funds and alternative investments. The investment strategies utilized depend on your investment objectives and goals as provided to us. Portfolios are constructed along basic investment objective categories and focus primarily on a long-term buy and hold approach as opposed to short-term trading.

However, each Client has the opportunity to place reasonable restrictions on the type of investments to be held in the portfolio. Accounts are managed on a discretionary or non-discretionary basis, at the client's discretion. The Advisory Representative may periodically rebalance the Client's Account to maintain the initially agreed upon strategic and tactical asset allocation. However, no changes are made to the agreed-upon asset allocation nor are assets rebalanced in nondiscretionary accounts without prior Client review and consent.

Third-Party Money Managers

These programs provide you an opportunity to utilize the investment skills of professional third party money managers. The third party manager will have discretionary authority with respect to investment management of your accounts. Neither Charles Schwab nor Virtus act in such a capacity or have such authority. You select one or more managers based upon your risk tolerance and investment objectives. We assist you in completing the client profile and choosing an investment manager that best matches your investment objectives and goals.

Clients may also impose reasonable restrictions upon the management of the account.

Financial Planning

We may prepare and provide you with a

written financial plan designed to help you achieve your financial goals and investment objectives. The preparation of such a plan may necessitate that you provide us with personal data such as family records, budgeting, personal liability, estate information and additional financial goals.

The financial plan may include any or all of the following as requested and/or directed by you:

- asset protection,
- tax planning,
- business succession,
- strategies for exercising stock options,
- cash flow,
- education planning,
- estate planning and wealth transfer,
- charitable gifting,
- long-term care and disability planning,
- retirement planning,
- insurance planning,
- asset allocation comparisons, and risk management.

Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at your discretion.

In managing your investment portfolio and/or creating your financial plan, we

consider your

- financial situation,
- risk tolerance,
- investment horizon,
- liquidity needs,
- tax considerations,
- investment objectives, and
- any other issues important to your state of affairs.

You should notify us promptly if there are any changes in your financial situation or investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

Management of Wrap Accounts The third party money managers program is a wrap fee program. We do not manage wrap fee accounts differently than we manage non-wrapped accounts. We do not receive a portion of the wrap fee for our services. The fee you pay in this program covers the third party money manager's advisory fee and all brokerage commissions and other trading costs of transactions placed through the third party money manager. Our fees are separate and detailed in the Fees and Compensation portion of this brochure.

Virtus currently has \$102,000,000 of discretionary client assets under management.

Fees and Compensation

We offer our investment management services on a fee-only basis. Our fee is calculated based upon the market value of the assets in your account on the last day of the previous quarter.

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians (“custodian/broker-dealer”). Your custodian/broker-dealer determines the values of the assets in your portfolio.

Fees for the initial quarter are based on the value of your cash and securities on the date the custodian/broker-dealer receives them and are prorated based upon the number of calendar days in the calendar quarter that our agreement is in effect. Our fee schedule for direct management s described below:

<u>Assets under Management</u>	<u>Advisory Fee¹</u>
First \$1,000,000	1.75%
Next \$2,000,000	1.50%
Next \$2,000,000	1.10%
Next \$5,000,000	0.90%
Next \$15,000,000	0.70%
Next \$25,000,000	0.55%
Above \$50,000,000	Negotiable

¹ All fees are negotiable at our sole discretion.

Under certain circumstances, you may be

charged \$250 per hour for additional services which may include but are not limited to financial plan implementation, mortgage analysis and refinancing, due diligence of client introduced investments, and/or working with your other advisors.

For third party money managers, a complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the Third Party Investment Advisory Service’s Form ADV Part II; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager or managers selected; or, iv) the Third Party Advisory Service’s account opening documents. A copy of all relevant disclosure documents of the Third Party Advisory Service and of the

provided to anyone interested in these

Financial planning services are charged through a fixed fee arrangement as agreed upon between you and us. Financial planning services fixed fees range from \$1,000 to \$10,000 per plan. Fees are negotiable and will vary depending upon the complexity of your situation and services to be provided. The cost of all plans will be recovered through a reduction in our investment advisory fee in an amount equal to the cost of the financial plan should the

recipient of the financial plan choose to become a client of our. An estimate for total hours will be determined at the start of the advisory relationship. Similar financial planning services may be available elsewhere for a lower cost to the client.

You must authorize us to have the custodian/broker-dealer pay us directly by charging your account. This authorization must be provided in writing. One-fourth of the annual fee is charged each calendar quarter.

We send a statement that includes the value of your investments and our advisory fee. Your custodian/broker-dealer also provides you with statements that show the amount paid directly to us. You should compare the statement we send to your custodian/broker-dealer's statement and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

At our discretion, you may be billed for fees in lieu of having them debited from the account.

A 50% retainer fee for financial planning services is due at inception of engagement and the remainder is paid at delivery. The financial plan will be presented to you within 90 days of the contract date, provided that you have promptly provided all information needed to prepare the financial plan.

In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- internal fees and expenses charged by mutual funds or exchange traded funds ("ETFs"), and
- other fees and taxes on brokerage accounts and securities transactions.

None of these fees are paid to or are shared with us.

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This

means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

You must pay our advisory fees in advance of receiving our services. Should you terminate the advisory agreement we have entered into within five (5) business days from the date the agreement is executed, you will receive a full refund of any fees paid.

Either party, without the payment of penalty, may terminate the advisory agreement at any time with 30 days written notice. Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund. Any unpaid fees for services received by you will be immediately payable to us

Performance-Based Fees

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

Types of Clients

We provide advisory services primarily to high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit sharing plans. As a condition for starting and maintaining an advisory relationship, we generally require a minimum portfolio size of \$1,000,000. We, at our sole discretion, may accept clients with smaller portfolios based upon certain factors including anticipated future earning capacity, anticipated future additional assets, account composition, related accounts, and pre-existing client relationships. We may consider the portfolios of your family members to determine if your portfolio meets the minimum size requirement.

Methods of Analysis, Investment Strategies and Risk of Loss

We select specific investments for your portfolios through the use of fundamental analysis.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company's security to determine whether to purchase, sell or hold the security.

Technical analysis is 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.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

Our investment strategies may include long-term and short-term purchases and sales, and the use of options. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in loss:

- loss of principal,
- a reduction in earnings (including interest, dividends and other distributions), and
- the loss of future earnings.

Additionally, these risks may include:

- market risk,
- interest rate risk,
- issuer risk, and
- general economic risk.

You must also be aware that the use of options is a higher risk strategy. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested.

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

The Managing Director of Virtus also conducts business as a real estate and business capitalization consultant for Virtus Real Estate LLC. Our advisory representatives may receive compensation for these non-advisory services that they may provide. Such

compensation would be in addition to the advisory and other fees that we may receive.

We may recommend to you that you invest in pooled investments which certain persons related to us may have a controlling interest. A conflict of interest may exist to the extent that we or our may receive additional compensation in connection with these transactions. In addition to the advisory fees set forth in “Fees and Compensation” above, assets invested in a pooled investment are subject to an additional management fee paid to a person or entity who is responsible for managing the pooled investment vehicle. Such person or entity may be a related person of ours, thus creating a conflict of interest to the extent the total compensation to the related person is increased. The controlling interest of the pooled investment vehicle by a related person also deems us to have custody of client assets. All clients are informed of the advisory relationship of Virtus and its affiliates to the pooled investments, and clients are not required to purchase investments advised us. Clients should carefully review any disclosure documents provided in connection with investments in pooled investment vehicles for disclosures regarding management fees, performance fees and other expenses.

Code of Ethics; Participation or Interest in Client Transactions and Personal Trading

We have adopted a *Code of Ethics* (“Code”) to address the securities-related conduct of our advisory representatives and employees. The *Code* includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the *Code* and avoid any actual or potential conflict of interest, or any abuse of an advisory representative’s or employee’s position of trust and responsibility;
- that advisory representatives may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the *Code* to you or any prospective client upon request.

We do not buy or sell securities for our firm that we also recommend to clients.

Our advisory representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by you or
- considered for purchase or sale for you.

We have adopted policies and procedures that are intended address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Brokerage Practices

We may recommend that the broker-dealer/custodian for your account be the Schwab Institutional division of Charles

Schwab & Co., Inc., (“Schwab”). Schwab will assist us in servicing your accounts. We are independently owned and operated and not affiliated with Schwab. Our use of Schwab is, however, a beneficial business arrangement for us and for Schwab. Information regarding the benefits of this relationship is described below.

In recommending Schwab as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum Schwab’s:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the selection of Schwab to execute transactions for your accounts is not the lowest possible transaction cost, but whether Schwab can provide what is in our view the best qualitative execution for your account.

Schwab provides us with access to its institutional trading and custody services, which includes:

- 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.

We are not required to effect a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

Schwab does not charge separately for holding our clients accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Schwab also makes available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
 - duplicate trade confirmations,
 - bundled duplicate account statements, and
 - access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:
 - access to a trading desk serving advisory participants exclusively and
 - access to block trading which provides the ability to combine securities transactions and then

allocate the appropriate number of shares to each individual account;

- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts; and
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

Schwab also makes available to us other services intended to help us manage and further develop our business. These services may include:

- consulting,
- publications and conferences on practice management,
- information technology,
- business succession,
- regulatory compliance, and
- marketing.

Schwab may also make available or arrange for these types of services to be provided to us by independent third parties. Schwab may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with Schwab, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the custodian/broker-dealer we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodian/broker-dealers may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through Schwab may be higher than commissions and other fees available if you use another custodian/broker-dealer firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Schwab outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained at through Schwab. We do not attempt to allocate these benefits to specific clients.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that

broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and advisory representatives may be included in bunched trades. They receive the same average price and pay the same

commissions and other transaction costs, as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be effected for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

Review of Accounts

All client accounts are monitored on an ongoing basis with a formal review conducted at least annually or as agreed upon with individual clients. The reviews focus on the consistency of portfolio investments with each client's stated objectives and risk tolerances. Reviews also consider investment restrictions requested by individual clients, investment time horizons, liquidity needs, tax considerations and other circumstances unique to each client.

On a quarterly basis, the performance of each client account is reviewed to monitor consistency with market benchmarks that we deem applicable. Account reviews may also be triggered by other factors such as changes in general economic and market conditions, analyst reports, issuer news and interest rate movement.

Cash levels are reviewed at least quarterly. After consideration of the above factors, allocation and investment determinations are made. Thereafter, accounts are reviewed on a transaction, monthly, quarterly or annual basis, as needed. At least annually, accounts are rebalanced to their strategic and tactical allocations. Account reviews may be triggered by potential change (beyond client's needs) including analyst reports, company news, fund management change and interest rate movement.

The Managing Director and the Director of Operations are responsible for all reviews.

You will receive statements from the custodian/broker-dealer at least quarterly. These statements identify your current investment holdings, the cost of each of those investments, and their current market values. You will also receive performance analysis reports prepared by us which describe the returns realized on the investments in your account.

Client Referrals and Other Compensation

We have entered into written compensation agreements with certain affiliated and non-affiliated professionals. We pay these persons a percentage of the fee that you pay to us if it is determined you have become clients as a result of their direct or indirect efforts. These payments are a portion of the fee that we charge and do not result in an increase in

the amount of the fee that you pay. Any solicitation or referral arrangements will comply with applicable laws that govern:

- 1) the nature of the service,
- 2) fees to be paid,
- 3) disclosures to clients and
- 4) any necessary client consents.

We receive certain economic benefits as a result of our participation in Schwab's institutional program. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

Custody

You will receive statements from the custodian/broker-dealer that holds your investment account on at least a quarterly basis. We urge you to carefully review these statements and compare them to the account statements that we may provide you. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account. We also encourage you to contact your advisory representative or our Chief Compliance Officer should you have any questions or concerns regarding your account.

Investment Discretion

We offer our advisory services on both a discretionary and a non-discretionary basis. When we offer our services on a discretionary basis, we do not need advance approval from you to determine

the type and amount of securities to be bought and sold for your accounts. We do not, however, have the ability to choose the broker-dealer through which transactions will be executed.

Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees or transfer funds to accounts you have designated through standing letters of instruction which, may only be done with your prior written authorization.) This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

When we offer our services on a non-discretionary basis, we need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts.

Voting Client Securities

We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, however, forward to you any information received by us regarding proxies and class action legal

matters involving any securities held in your accounts.

For accounts subject to the provisions of The Employment Retirement Income Security Act of 1974 (“ERISA”), the plan fiduciary specifically keeps the authority and responsibility for the voting of these proxies. The plan and its trustees agree to indemnify Virtus against any and all liability that may incur under ERISA

because of a failure to vote proxies with respect to securities held in the account.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.

Terrell F. Gates

Virtus Private Wealth Management

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Building III, Suite 300
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Brochure Supplement

July 24, 2012

This brochure supplement provides information about Terrell F. Gates that supplements the Virtus Private Wealth Management brochure. You should have received a copy of that brochure. Please contact John Chatmas, Managing Director, if you did not receive Virtus Private Wealth Management's brochure or if you have any questions about the contents of this supplement.

Additional information about Terrell F. Gates is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Terrell F. Gates

Year of birth: 1973

Formal education:

- University of Texas - 1993, B.A., Spanish; 1996, M.E., Economics
- Southern Methodist University School of Law – 1982, J.D.

Business background:

- Virtus Private Wealth Management – Chief Investment Officer, (09/04 – Present)
- Regal Securities – Registered Representative (01/07 – 12/09)
- Samco Financial Services, Inc. – Registered Representative (04/06 – 12/06)
- FSC Securities Corporation – Registered Representative (09/04 – 03/06)
- Merrill Lynch – Wealth Management Advisor, Registered Representative (12/99 – 09/04)

Disciplinary Information

Terrell F. Gates has not been the subject of any legal or disciplinary event. There are two disclosures on Mr. Gates' CRD.

Both were closed with NO action: a customer dispute was made regarding suitability and FSC Securities Corporation permitted him to resign for failure to obtain firm approval to form his own broker dealer.

Other Business Activities

Mr. Gates is the CEO of Virtus Real Estate LLC, a commercial real estate private equity sponsor. He is also a registered insurance agent.

Additional Compensation

A conflict of interest may exist to the extent that Mr. Gates may receive additional compensation in connection with transactions sponsored by Virtus Real Estate LLC and recommended to you. In addition to the advisory fees set forth in "Fees and Compensation" above, assets invested in a pooled investment are subject to an additional management fee paid to a person or entity who is responsible for managing the pooled investment vehicle. Mr. Gates is a related person, thus creating a conflict of interest to the extent that his total compensation may be increased.

Supervision

Mr. Gates is supervised by John Chatmas, Managing Director. Mr. Chatmas can be reached at 512.891.1230.

We supervise Mr. Gates by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Gates gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established
- A daily review of account transactions,
- Review custodial information on a quarterly basis to assess account activity,
- Perform annual oversight so that Mr. Gates is aware of your current financial situation, objectives, and individual investment needs
- A review of client correspondence on an as needed basis.

John Chatmas
Virtus Private Wealth Management

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Additional information about John Chatmas is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

John Chatmas

Year of birth: 1967

Formal education:

- University of Texas - 1993,
B.B.A., Finance

Business background:

- Virtus Private Wealth Management – Managing Director, (01/10 – Present)
- NFP Securities Inc. – Registered Representative (11/07 – 12/10)
- Morgan Keegan & Company, Inc. – Registered Representative (03/01 – 11/07)
- Dean Witter Reynolds Inc. – Registered Representative (04/99 – 03/01)
- Salomon Smith Barney – Registered Representative (08/96 – 04/99)
- Salomon Smith Barney Inc. – Registered Representative (10/92 – 10/98)

Disciplinary Information

John Chatmas has a financial disclosure on his CRD as well as a customer complaint that was closed with no action

Other Business Activities

Mr. Chatmas founded Caddie Central, Inc. a leading provider of caddie services for high-end resorts and private clubs. Mr. Chatmas is also a registered insurance agent.

Additional Compensation

Mr. Chatmas does not receive any additional compensation related to the advisory services provided to you.

Supervision

Mr. Chatmas is supervised by Gery Sadzewicz, Chief Compliance Officer. Mr. Sadzewicz can be reached at 815.782.1250.

We supervise Mr. Chatmas by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Chatmas gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established
- A daily review of account transactions,
- Review custodial information on a quarterly basis to assess account activity,
- Perform annual oversight so that Mr. Chatmas is aware of your

current financial situation,
financial situation, objectives, and
individual investment needs

- A review of client correspondence
on an as needed basis

