

## **Brochure Supplement**

July 20, 2012

### **Pactolus Private Wealth Management, LLC**

SEC File No. 801-71915

**Steven K. Umstead**

**Director**

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This brochure supplement provides information about Steven Umstead that supplements the Pactolus Private Wealth Management, LLC, brochure. You should have received a copy of that brochure. If you did not receive a Pactolus Private Wealth Management, LLC, brochure or if you have any questions about the contents of this supplement, please contact us at [aharter@pactoluspwm.com](mailto:aharter@pactoluspwm.com).

Additional information about Steven Umstead is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Educational Background and Business Experience

Steven Umstead (b. 1963) is the Director of Pactolus Private Wealth Management, LLC. Steven has more than two decades of experience in the financial services arena. As a director, he is responsible for the execution of the portfolio strategies for the company's clients. Additionally, he oversees general corporate operations and compliance. Leveraging his background in management, accounting, financial planning and analysis, and working with our outside partners, Steven ensures that clients receive comprehensive reporting and aggregation, and certifies that all relevant federal and state reporting requirements are met.

Prior to joining the firm, Steven held leadership positions at Fidelity Investments and Bank of America Investment Services. Most recently, he was a member of the Harter Wealth Advisory Group at Morgan Stanley Smith Barney, where he focused exclusively on high-net-worth clients. Steve is a Certified Financial Planner™ professional and a Level II Chartered Financial Analyst program candidate. He has a Bachelor of Business Administration degree in Accounting from Marymount University.

### A. Educational Background

BBA, Accounting, Marymount University	1990
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### B. Professional Designations and Licenses

CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional	2003
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### C. Business Background

Pactolus Private Wealth Management LLC	01/2011–Present
Harter Wealth Advisory Group at Morgan Stanley Smith Barney	03/2007–01/2011
Vice President, Fidelity Investments	07/2000–03/2007
Sr. Vice President, Bank of America Investment Services	04/1998–06/2000

### D. Professional Designations - Qualifications and Related Criteria

#### D.1. Qualifications for CERTIFIED FINANCIAL PLANNER™ (CFP®)

The CERTIFIED FINANCIAL PLANNER™ (CFP®) certification process, administered by CFP Board, identifies that those individuals who have been authorized to use the CFP certification marks in the U.S. have met rigorous professional standards and have agreed to adhere to the principles of integrity, objectivity, competence, fairness, confidentiality, professionalism, and diligence when dealing with clients.

CFP certificants must pass the comprehensive CFP Certification Examination; pass CFP Board's Candidate Fitness Standards; agree to abide by CFP Board's Code of Ethics and Professional Responsibility, which puts clients' interests first; and comply with the Financial Planning Practice Standards, which spell out what clients should be able to reasonably expect from the financial planning engagement. These are just some of the reasons why the CFP certification is becoming increasingly recognized.

To become certified, candidates are required to meet the following initial certification requirements:

**Education** Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning.

**Examination** Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances.

**Experience** Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year).

**Ethics** Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP marks:

**Continuing Education** Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field.

**Ethics** Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP professionals provide financial planning services at a fiduciary standard of care. This means CFP professionals must provide financial planning services in the best interests of their clients.

CFP professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP certification.

### **Item 3: Disciplinary Information**

Steven K. Umstead does not have any disciplinary action to report. Public information concerning Steven Umstead's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Item 4: Other Business Activities**

Steven Umstead is a licensed insurance agent and in the context of providing financial and estate planning services, may recommend insurance products offered by various insurance carriers and earn a commission. There is a potential conflict of interest in that there is an economic incentive for Steven to recommend insurance products to his advisory clients. Please be advised that Steven strives to put his clients' interests first and only recommends insurance products that are appropriate in light of the client's needs. Variable insurance products require a securities and insurance license. Currently, Steven does not maintain active securities license registration.

### **Item 5: Additional Compensation**

Other than advisory fees charged to his clients and insurance commissions described in item Item 4 above, Steven does not receive additional compensation.

### **Item 6: Supervision**

Supervision of Steven Umstead is performed by Alan Harter, Managing Member of Pactolus, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Alan Harter can be reached at 571-297-1740.