

**Part 2A of Form ADV: *Firm Brochure***

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**This brochure provides information about the qualifications and business practices of Peterson Wealth Advisors, LLC (hereinafter “PWA” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (801) 225-0000 or at [scott@petersonwealth.com](mailto:scott@petersonwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about PWA is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for PWA is 146349.**

## **Item 2. Summary of Material Changes**

The material changes in this brochure from the last annual updating amendment of PWA on March 22, 2023, are described below. Material changes relate to PWA's policies, practices or conflicts of interests.

- . PWA has removed TD Ameritrade as a custodian due to its merger with Charles Schwab & Co., Inc. (Items 12 and 14)

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#### **Item 4.        Advisory Business**

PWA is a fee-based SEC-registered investment adviser with its principal place of business located in Orem, Utah. Our firm has been in business since 2008. Scott Martin Peterson, Jeffrey Dean Lindsay, and Alexander Parkinson Call are the owners of the firm.

Discretionary assets under our firm's management are \$529,106,564 and non-discretionary assets under our firm's management are \$38,324,768 as of December 31, 2023.

##### Portfolio Management Services

PWA is in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

We will manage advisory accounts on a discretionary or non-discretionary basis, depending on the specific agreement with the client. For discretionary accounts, we will implement transactions without seeking prior client consent. For non-discretionary accounts, we will seek prior client consent for every contemplated transaction. Therefore, clients with non-discretionary accounts should understand that any delay in obtaining consent may result in less favorable transaction terms, including higher security price and/or limited availability of the securities sought.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will primarily include advice regarding the following instruments:

- Exchange Traded Funds
- "No-load" or "load-waived" mutual funds
- Certificates of deposit

Occasionally, we may also recommend investments in individual equity and debt securities.

We tailor all of our portfolio management recommendations to the individual needs of each client. All such recommendations are tailored based on information gathered through client questionnaires, telephone and in-person discussions.

Peterson Wealth Advisors will pay for the client's tax preparation service from third-party CPAs from the firm's approved list. To qualify for this program the client must maintain a minimum of \$1 million in assets managed by Peterson Wealth Advisors and be retired (no longer receiving a W2 or self-employment income). Peterson Wealth Advisors may reduce the qualifying threshold at the firm's

discretion. CPAs on the firm's approved list are not affiliated with Peterson Wealth Advisors and pay no consideration to Peterson Wealth Advisors to be included on the approved list.

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### **Written Acknowledgement of Fiduciary Status**

We are legally bound by the fiduciary standard and we have an obligation to act in your best interest and not put our interest ahead of yours. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts.

Under the fiduciary standard, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Provide you information about conflicts of interest.

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## **Item 5. Fees and Compensation**

### **Portfolio Management Services**

For this service, we are compensated based on a tiered percentage of assets under our management. The management fee is calculated by applying different rates to different portions of the portfolio, in accordance with the following schedule:

<u>Assets Under Management (\$) Tiers</u>	<u>Annual Fee (%)</u>
Tier 1: First \$250,000 (\$0 to \$250,000)	1.40%
Tier 2: Next \$250,000 (\$250,001 to \$500,000)	1.30%
Tier 3: Next \$250,000 (\$500,001 to \$750,000)	1.20%
Tier 4: Next \$250,000 (\$750,001 to \$1,000,000)	1.10%
Tier 5: Next \$1,000,000 (\$1,000,001 to \$2,000,000)	1.00%
Tier 6: Next \$3,000,000 (\$2,000,001 to \$5,000,000)	0.75%
Tier 7: Next \$5,000,000 (\$5,000,001 to \$10,000,000)	0.65%
Tier 8: \$10,000,001 and above	0.60%

Example: A client with \$3,000,000 in assets under management would pay an effective annual fee of 1.0% which is a compilation of tiers 1 through 6.

We will generally directly debit client custodial accounts for portfolio management fees. Portfolio management fees are billed quarterly in advance at the beginning of each quarter, based upon the portfolio value on the last day of the previous calendar quarter.

#### Fees in General

Fees and account minimums for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, competitive considerations, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above.

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.

#### Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us with a written or oral notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. A client could invest in a mutual fund or and ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### Brokerage and Custodial Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

### Additional Compensation Received by Us

Neither PWA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

#### **Item 7. Types of Clients**

We normally impose a minimum account size of \$1,000,000 for Portfolio Management services.

Our firm generally provides advisory services to individuals, trusts, estates, charitable organizations, corporations and other business entities.

#### **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

Our firm employs the following types of analysis to formulate client recommendations:

Mutual fund and/or ETF analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Risks for all forms of analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alerted to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to implement investment advice given to clients:

Long-term purchases: We mostly purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We

may do this because we want exposure to a particular asset class over time, regardless of the short-term projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: At times, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

*Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.*

#### **Item 9. Disciplinary Information**

Neither our firm, any advisor or management persons have any reportable disciplinary events.

#### **Item 10. Other Financial Industry Activities and Affiliations**

##### Registration as a Broker/Dealer or Broker/Dealer Representative

Neither PWA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

##### Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor

Neither PWA nor its representatives are registered as or have pending applications to become either a Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

##### Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither PWA nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

##### Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

PWA does not utilize nor select third party investment advisers.



## **Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading**

### Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to Scott Peterson, Managing Member and Chief Compliance Officer, at the firm's principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

- 1) No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
- 2) It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;
- 3) We have available a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations;
- 4) We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
- 5) All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 6) Any individual not in observance of the above may be subject to disciplinary action or termination.

We do not participate in principal transactions, which is a situation where an RIA acts as a principal for its own account and knowingly sells securities to, or buys securities from, a client. It also includes situations where an affiliate or controlling person of an RIA engages in a trade with an advisory client.

## **Item 12. Brokerage Practices**

PWA participates in the Charles Schwab Institutional program. Charles Schwab Institutional is a division of Charles Schwab & Co., Inc. (“Charles Schwab”) member FINRA/SIPC. Charles Schwab is an independent [and unaffiliated] SEC-registered broker-dealer. Charles Schwab offers services to PWA which include custody of securities, trade execution, and clearance and settlement of transactions. PWA receives some benefits from Charles Schwab (hereinafter, “Schwab”) through its participation in the program. (Please see the disclosure under Item 14 below.)

PWA has investigated Schwab and is comfortable with their current expertise and consider them to be in sound financial condition. The client records provided by Schwab are adequate for PWA’s clients’ needs. Schwab resolves trade errors in a timely and effective manner and seeks the best execution for PWA’s clients’ transactions. Schwab provides PWA access to live representatives, research analysts and a trading desk. PWA feels confident that the transactions administered by Schwab represent the best qualitative execution for our clients.

PWA manages money for their retirees using a time segmented approach to investing. This approach requires various tiers of investments. Schwab allows multiple investment tiers to all be held in a single account. With fewer accounts, the client will have fewer trades and less trading costs.

## **Item 13. Review of Accounts**

Reviews: PWA’s investment committee meets quarterly to review investment portfolios. Portfolios are reviewed for consistency with investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. PWA reviews individual accounts at least annually and will regularly assess the clients portfolios. Accounts are reviewed for client financial health (net worth, liquid net worth, income, tax bracket) and to verify that investment objectives, risk tolerance, and time horizon align with client needs. More frequent reviews may be triggered by changes in an account holder’s personal, tax or financial status. Geopolitical and macroeconomic events may also trigger reviews.

## **Item 14. Client Referrals and Other Compensation**

Charles Schwab & Co., Inc. Advisor Services provides PWA with access to Charles Schwab & Co., Inc. Advisor Services’ institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser’s clients’ assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, 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. For PWA client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor

Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to PWA other products and services that benefit PWA but may not benefit its clients' accounts. These benefits may include national, regional or PWA specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of PWA by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist PWA in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of PWA's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of PWA's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to PWA other services intended to help PWA manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to PWA by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to PWA. PWA is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

#### **Item 15. Custody**

Custody is defined as any legal or actual ability by our firm to access client funds or securities. Under the current SEC rules, our firm is deemed to have limited custody of client assets because we directly debit client fees from their custodial accounts. We have custody of client funds; but only limited custody through direct fee deduction. Since all client funds and securities are maintained with a qualified custodian, we don't take physical custody of client funds or securities, nor are we authorized to hold or receive any stock, bond or other security or investment certificate or cash (except in the payment of our advisory fee) that is part of the client's account. Therefore, we urge all our management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results received from us to those they receive from their custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

#### **Item 16. Investment Discretion**

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed advisory agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

We reserve the right to decline acceptance of any client account in which the client desires PWA to transact trades or otherwise manage investments in a way that PWA deems not in the best interest of the client or detrimental to the overall success of the client's investment objectives.

#### **Item 17. Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We do, however, offer consulting assistance regarding proxy issues to clients if such assistance is sought by a client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

#### **Item 18. Financial Information**

Under no circumstances will we receive fees in excess of \$1,200 more than six months in advance of services rendered.