



## Physician Wealth Advisors, Inc.

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This Form ADV Part 2A Brochure provides information about the qualifications and business practices of Physician Wealth Advisors, Inc. If you have any questions about the contents of this Brochure, you may contact Melissa Saez at 801-747-0800 or email [info@pwa.org](mailto:info@pwa.org). Physician Wealth Advisors, Inc. is a registered investment advisor with the Securities and Exchange Commission (SEC). Registration of an investment advisor does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission.

Additional information about Physician Wealth Advisors, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

The date of our previous annual update to our Brochure was March 28, 2023. Since that date, we have made the following material changes:

Our office address changed to: 6820 South 900 Street East, Suite 200, Salt Lake City, Utah 84047.

We updated Items 4 and 8 to clarify our periodic use of alternative or private investments to manage client portfolios and highlight their related risks.

Our Brochure is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for the Firm is 106043. We may provide ongoing disclosure information about material changes as necessary and will further provide a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, you may request our Brochure by contacting Melissa Saez at 801-747-0800 or by emailing [compliance@pwa.org](mailto:compliance@pwa.org).

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#### Item 4 – Advisory Business

Physician Wealth Advisors, Inc. (“Firm” or “we” “us”) has a principal place of business in Salt Lake City, Utah and is a Utah Corporation registered as an investment advisor under the laws of the Securities and Exchange Commission (SEC).

The Firm was incorporated on September 3, 1993.

We provide discretionary investment management services based on individual client needs. As a result, we create and manage client portfolios based upon personal discussions regarding each client’s particular circumstances. During these discussions, we work with the client to determine individual goals and objectives, time horizon, risk tolerance and liquidity needs.

We generally recommend clients allocate their investments among various asset classes and, within those classes, among various issuers and types of issuers. Asset classes may include equities, fixed income securities, real estate investment trusts (known as REITs) and, when suitable and in the best interests of the client, various types of alternative investments such as, private equity funds, hedge funds and other privately offered funds. We may, among other things, make investment decisions on a discretionary basis for client accounts. Client funds are deposited in either a brokerage firm, bank custodian account, directly with mutual fund companies or insurance companies. We may also retain service providers and take other actions related to its investment management authority —such as the selection of money managers to provide services to portions of a client’s portfolio, the selection of private investment funds, and the purchase and sale of securities.

The Firm also provides financial planning services to clients. Through in-depth personal interviews, we gather information about the client’s current financial status, tax status, future goals, return objectives and attitudes toward risk. We carefully review documents supplied by the client, and typically prepare a written report. If requested, we may recommend the services of other professionals for implementation purposes, i.e. attorneys, CPAs etc. The client retains absolute discretion over any implementation decisions and is free to accept or reject any of our recommendations.

We do not participate in any wrap-fee programs.

We manage \$975,993,340 of client assets on a discretionary basis, and \$556,375,550 of ERISA plan assets on a non-discretionary basis. These amounts were calculated as of December 31, 2023.

## Item 5 – Fees and Compensation

We are a fee-based investment advisor which means our investment management fees are based upon an annual percentage of assets under management. We believe this method of compensation helps to minimize potential conflicts of interest.

Compensation to us for investment advisory services will be calculated in accordance with “Schedule A” of the Investment Advisory Agreement (IAA) which is entered into with each client. We reserve the right to amend the fee but only upon 30 days prior written notice to each client.

### Fee Schedule

<u>Assets Under Management</u>	<u>Annual Fee</u>
Assets between \$0 and \$250,000	.80%
Assets between \$250,000 and \$1,000,000	.70%
Assets between \$1,000,000 and \$2,000,000	.60%
Assets between \$2,000,000 and \$10,000,000	.50%
Assets above \$10,000,000	.40%

Accounts managed by Physician Wealth Advisors are billed in arrears, after services for the quarter are rendered and based on an average daily balance. Market value will be construed to equal the sum of the values of all assets in the account, not adjusted by any margin debit. Most commonly, fees are debited directly from the client’s account(s). Payment of fees may result in the liquidation of securities within the account if there is not sufficient cash to pay the fees. With special approval, the client may be invoiced. A client agreement may be terminated by either party for any reason, by written notice to the other. Upon termination of any client agreement any advisory fees will be collected through the date of termination.

Financial planning services are provided as a benefit of membership in the UMA (Utah Medical Association). Basic financial planning consultations and services are offered at no cost to member physicians and others. More in-depth financial planning may be provided to investment management clients as part of their ongoing investment management relationship.

In order to help clients address certain risks and other planning considerations, certain investment advisor representatives or other employees of the Firm are licensed to sell insurance products. In such cases, all commissions received for insurance sales are paid directly to the Firm. No supervised person associated with us receives or accepts any compensation for the sale of securities or insurance products.

Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged for custodial fees, mutual fund charges, odd-lot differentials, transfer taxes, wire transfers and electronic funds fees and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to the Firm's fees. Physician Wealth Advisors does not receive any portion of these commissions, fees, or other charges.

The Firm also offers customized consulting services for retirement, pension, 401(k), 403(b), 457, Money Purchase, and or deferred compensation plan(s).

### Rollover Recommendations

As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will manage on your behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the advisory agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (*i.e.*, receipt of additional fee-based compensation). You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interests and not put our interests ahead of yours.

Under this special rule's provisions, 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 interests;
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of a rollover.

Note that an employee will typically have four options in this situation:

1. leaving the funds in your employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide you with a written explanation of the advantages and disadvantages of both account types and the basis for our belief that the rollover transaction we recommend is in your best interests.

As an alternative to providing you with a rollover recommendation, we may instead take an entirely educational approach in accordance with the U.S. Department of Labor's Interpretive Bulletin 96-1. Under this approach, our role will be limited only to providing you with general educational materials regarding the pros and cons of rollover transactions. We will make no recommendation to you regarding the prospective rollover of your assets and you are advised to speak with your trusted tax and legal advisors with respect to rollover decisions. As part of this educational approach, we may provide you with materials discussing some or all of the following topics: the general pros and cons of rollover transactions; the benefits of retirement plan participation; the impact of pre-retirement withdrawals on retirement income; the investment options available inside your Plan Account; and high level discussion of general investment concepts (e.g., risk versus return, the benefits of diversification and asset allocation, historical returns of certain asset classes, etc.). We may also provide you with questionnaires and/or interactive investment materials that may provide a means for you to independently determine your future retirement income needs and to assess the impact of different asset allocations on your retirement income. You will make the final rollover decision.

## **Item 6 – Performance-Based Fees and Side-by-Side Management**

We do not charge any performance-based fees, which are fees based on a share of capital gains or capital appreciation of client assets. Accordingly, this Item is not applicable to our Firm.

## **Item 7 – Types of Clients**

The Firm serves the members of the Utah Medical Association (UMA) and their family members. Under limited circumstances, Physician Wealth Advisors works with non-

members of the UMA. We also provide products and services to other entities in connection with UMA member physicians' practices.

As a result, we provide investment advice to the following types of clients:

- Individuals
- Corporations
- Foundations
- Endowments
- Pension and profit sharing plans
- Trusts, estates or charitable organizations

Because each client is unique, we encourage client involvement in the planning and processes associated with the management of their accounts. Such involvement does not have to be time consuming as we support our clients in remaining informed about their investments.

Due to the nature of our practice, there is no minimum investment requirement to have an investment management relationship with Physician Wealth Advisors.

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

The investment advice we provide to our clients is generally based on a number of factors, including, but not necessarily limited to, the client's investment objectives, risk tolerance, tax positions and/or objectives, asset class preferences, time horizons, liquidity needs, expected returns and an assessment of current economic and market views expressed by economic analysts, banks and securities firms.

Rather than focusing primarily on individual equity selection, we attempt to identify an appropriate ratio of investments by asset class (i.e. equities, fixed income, cash, etc.), also known as asset allocation, suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. In addition, there is a risk that the ratio of investments by asset class will change over time due to market movements and, if not rebalanced, may no longer be appropriate for the client's goals.

As a result, our approach is also based on the science of capital markets, rather than speculation and market timing. This approach builds broadly diversified portfolios in the worldwide equity and fixed-income markets, combined with periodic rebalancing.

Securities selected for use in client portfolios are generally maintained on a recommended list of securities, for which ongoing research is performed. Reviews of the securities included on the recommended list include both qualitative and quantitative factors.



We will utilize a variety of investment strategies, taking into consideration the client's best interest. Ideally, we prefer to hold investments long-term (one year or more) due to preferential tax treatment in taxable accounts. However, investments may be held for short periods of time (less than one year) depending on the client's objectives, the investment, market environment and economic conditions.

In taxable accounts, wherever possible, we will seek to offset realized gains with realized losses. When market dips occur, we may "harvest" losses and use them to offset future gains. The use of such strategies may increase the after-tax rate of return.

An integral part of our investment process is our ongoing monitoring of client portfolios. As a result, we encourage continuing client communication, which helps to ensure that a client's investment strategy remains aligned with their risk tolerance and financial goals. All too often as circumstances evolve, clients are faced with either expected or unexpected life events. Ongoing communication also allows us to assist our clients in making informed decisions, designed to help them stay the course toward their desired financial outcome.

Our securities analysis methods rely 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 alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Physician Wealth Advisors attempts to offset this risk by reviewing and rebalancing each client's portfolio. Because of the dynamic and fast moving nature of investment markets, new unanticipated risks can arise at any time. Maintaining a highly diversified investment portfolio helps to offset these types of risks but cannot eliminate them altogether. Investing in securities involves risk of loss that clients should be prepared to bear.

Alternative investments such as privately offered securities involve an extremely high degree of risk and are generally more speculative than investments in publicly offered (registered) securities. Private investments may include privately offered REITs, Delaware Statutory Trusts, private equity funds, hedge funds, commodity pools, and other similar investment vehicles. Private investments are not appropriate for all clients and may be entirely illiquid. Clients should be financially capable of accepting an extremely high degree of risk and should have significant resources beyond those invested in any private investment(s). Stated differently, your private investments should purely represent "risk capital" within your overall portfolio, the complete loss of which would have an immaterial and insubstantial effect on your overall financial circumstances and financial goals. Clients should carefully review any disclosure documents, operating agreements, subscription materials, private placement memoranda, prospectuses and similar documentation provided by the issuers of private securities with their independent legal and tax advisors prior to investing.

Physician Wealth Advisors attempts to offset this risk by only investing a small portion of a client's portfolio in alternative investments to maintain a high level of diversification. Further, we only introduce alternative investments when the specific investment is suitable and appropriate to meet that individual client's investing needs.

We will use our best judgment and good faith efforts in rendering services to our clients. However, we cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for this account are subject to various risks, such as market, currency, economic, political and business risks.

Except as may otherwise be provided by law, we are not liable to clients for:

- Any loss that a client may suffer by reason of any investment decision made or other action taken or omitted in good faith by us with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- Any loss arising from our adherence to a client's instructions; or
- Any act or failure to act by a custodian or other third party.

It is the responsibility of each client to provide complete information and notify us of any changes in financial circumstances or goals.

### **Item 9 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our Firm, or the integrity of our management. We have no information to disclose applicable to this item.

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

Physician Wealth Advisors has no management persons registered as or pending registration as:

- i. a broker-dealer or registered representative of a broker-dealer; or
- ii. a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

The Firm is licensed by the Utah Insurance Department as a Resident Producer Organization and certain employees are licensed to sell insurance.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

Physician Wealth Advisors has adopted a Code of Ethics (“Code”) describing its high standards of business conduct, fiduciary duty to its clients, and the restrictions and reporting requirements for employees’ personal investments.

All employees at Physician Wealth Advisors are subject to the Code and must acknowledge the terms of the Code annually or as amended. Employees are instructed to place the interests of their clients first, conduct all their personal securities transactions in a manner consistent with the Code and not take advantage of their positions. Among other terms, the Code contains:

- provisions relating to the confidentiality of client information;
- a prohibition on any fraudulent conduct;
- a prohibition on insider trading;
- restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items; and
- personal securities trading procedures.

The Code restricts trading in close proximity to client trading activity. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between us and our clients.

A copy of the Code of Ethics is available to any client or prospective client upon request.

We will disclose to clients any material conflict of interest which could reasonably be expected to impair the rendering of unbiased and objective advice.

## **Item 12 – Brokerage Practices**

Our clients’ assets are held by independent third-party custodians. Except to the extent that a client directs otherwise, we may use our discretion in selecting or recommending the custodian. Clients are not obligated to effect transactions through any custodian recommended by Physician Wealth Advisors. In recommending a custodian we will comply with our fiduciary duty in accordance with the Securities Exchange Act of 1934, to obtain best execution and will take into account such relevant factors as:

- Price;
- The custodian’s facilities, reliability and financial responsibility;
- The ability of the custodian to effect transactions, particularly with regard to such aspects as timing, order size and execution of order;

- The research and related brokerage services provided by such custodian to us, notwithstanding that the account may not be the direct or exclusive beneficiary of such services; and
- Any other factors that we consider to be relevant.

As a matter of policy and practice, Physician Wealth Advisors does not generally block client trades; therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate.

## **Item 13 – Review of Accounts**

### Investment Advisory Relationships

Client portfolios will be reviewed on a periodic basis and rebalanced to the investment objective as determined with the client. Reviews typically also include an assessment of diversification by asset class and industry. An inventory of assets showing market value and cost of each security is provided to each client on at least an annual basis unless directed otherwise by the client. Detailed transactions and holdings are provided by the custodian at least quarterly. Performance is calculated and provided to clients by a third party on at least an annual basis, unless directed otherwise by the client.

In an effort to help clients continually align their investments with their planning goals, client meetings often contain aspects of both investment advisory and financial planning reviews. These meetings are performed by our financial advisors.

### Financial Planning Relationships

Financial planning clients of Physician Wealth Advisors may receive all or some combination of three core financial planning documents: Statement of Financial Objectives, Net-Worth Statement, and Retirement Model. More comprehensive financial planning reviews are done by client requests, i.e. client has a question about life insurance, has outdated estate planning documents or has relocated to a new state.

Financial planning (non-investment) clients do not normally receive investment reports from Physician Wealth Advisors. Financial planning clients can initiate reviews with us if they have changes in their personal circumstances. Reviews are conducted by our financial advisors.

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

The Utah Medical Association, (“UMA”) owns Physician Wealth Advisors and markets our services to its membership. UMA does not provide investment advice to any clients or prospective clients when marketing our services.

In exchange for their promotion of our advisory services, we may pay cash compensation to third-party intermediaries in exchange for their promotion, referral, and endorsement of our advisory services to prospective clients. The cash compensation paid to such promoters may take the form of a retainer, a flat advertising fee, a fee per referral, and/or a percentage of the advisory fees we collect from referred client accounts. These fees may be paid to the promoter on one-time or recurring basis. Unless otherwise explicitly disclosed in writing to the client, the cash compensation paid to a promoter will be borne entirely by us and referred clients do not pay any additional or increased advisory fees as a result of having been referred to our firm by a paid third-party promoter.

We will only engage third-party promoters in accordance with the requirements of the SEC's "marketing rule" (SEC Rule 206(4)-1), promulgated under the Investment Advisers Act of 1940. Any promoters engaged for this purpose will disclose to you at or reasonably prior to the time of their promotion of our firm (i) that they will receive compensation from us as a result of their endorsement of our firm; (ii) a description of the material terms of the compensation they will receive; and (iii) a brief statement discussing the conflicts of interest arising out of the compensation arrangement and/or the relationship between our firm and the third-party promoter. Clients referred to our firm by a third-party promoter are encouraged to inquire with us if they have any questions about the foregoing arrangements.

### **Item 15 – Custody**

Except for having the ability to deduct fees from a client's custodial account, and our ability to disburse certain funds pursuant to Standing Letters of Authorization executed by clients, we do not have custody of the assets in client accounts. Accordingly, we have no liability to clients for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation (SIPC) or any other insurance which may be carried by the custodian. Clients understand that SIPC provides only limited protection for the loss of property held by a broker-dealer.

### **Item 16 – Investment Discretion**

Clients may grant Physician Wealth Advisors discretionary or non-discretionary authority to manage securities accounts on their behalf. Discretionary authority includes the authority to select which securities to buy or sell, the amount of these securities and the timing of trades. Non-discretionary authority requires Physician Wealth Advisors to obtain a client's prior approval of each specific transaction prior to executing the investment recommendations.

Investment discretion is exercised consistent with the investment objectives for the particular client account. If the client imposes any investment restrictions in writing and we agree to them, these supersede the Firm's investment discretion.

Under the terms of our standard Investment Advisory Agreement (IAA) and through the Custodian account agreement, clients grant us a limited power of attorney with discretionary authority over investments and may limit this authority by providing us with separate written instructions.

### **Item 17 – Voting Client Securities**

The Firm does not vote proxy on behalf of clients. While there are some investment advisors that will vote proxies on behalf of their clients, we have determined that taking on the responsibility for voting client securities does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is the client's responsibility to vote all proxies for securities held in accounts managed by the Firm.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by the Firm. However, clients are given the option of having their voting forms sent to us with the understanding that they will not be voted on but will be shredded using our secure shredding services.

### **Item 18 – Financial Information**

We do not have any financial condition that would impair our ability to meet contractual commitments to clients and have not been the subject of a bankruptcy proceeding.

A copy of our Privacy Notice is available by contacting Melissa Saez at 801-747-0800 or at [compliance@pwa.org](mailto:compliance@pwa.org).