

## ITEM 1: COVER PAGE



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This brochure provides information about the qualifications and business practices of Wealth Management Solutions, LLC ("WMS"). If you have any questions about the contents of this brochure, please contact us at 480-609-4334 or by email at [david@wmsus.com](mailto:david@wmsus.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Wealth Management Solutions, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

In regards to any reference to the term "registered investment advisor" or "registered":  
Such terms do not imply a certain level of skill or training.

**ITEM 2: MATERIAL CHANGES.**

There have been no material changes to Wealth Management Solution's ADV Part 2A.

### **ITEM 3: TABLE OF CONTENTS**

<b>Item 1: Cover Page .....</b>	<b>1</b>
<b>Item 2: Material changes. ....</b>	<b>2</b>
<b>Item 3: Table of Contents .....</b>	<b>3</b>
<b>Item 4: Advisory Business .....</b>	<b>4</b>
<b>Item 5: Fees and Compensation .....</b>	<b>5</b>
<b>Item 6: Performance Based Fees and Side-by-Side Management.....</b>	<b>7</b>
<b>Item 7: Types of Clients .....</b>	<b>7</b>
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>7</b>
<b>Item 9: Disciplinary Information.....</b>	<b>8</b>
<b>Item 10: Other Financial Industry Activities and Affiliations .....</b>	<b>8</b>
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</b>	<b>9</b>
<b>Item 12: Brokerage Practices.....</b>	<b>9</b>
<b>Item 13: Review of Accounts .....</b>	<b>11</b>
<b>Item 14: Client Referrals and Other Compensation .....</b>	<b>11</b>
<b>Item 15: Custody .....</b>	<b>11</b>
<b>Item 16: Investment Discretion .....</b>	<b>11</b>
<b>Item 17: Voting Client Securities .....</b>	<b>12</b>
<b>Item 18: Financial Information .....</b>	<b>12</b>

## ITEM 4: ADVISORY BUSINESS

### DESCRIPTION OF FIRM, LENGTH OF TIME IN BUSINESS, PRINCIPALS/OWNERS

Wealth Management Solutions, LLC ("WMS"), in business since 2003, is a financial services firm that provides investment advice and financial planning on a fee-only basis. Fee-only means WMS does not sell commissioned products or accept commissions of any kind from the sale of a product or service. WMS' compensation comes directly from clients in the form of an hourly rate, or a quarterly fee that is based on services provided and/or assets under management.

David S. Rosenthal is the owner and officer responsible for the financial planning services and investment advisory services.

### TYPES OF SERVICES OFFERED

**Financial Planning- Comprehensive:** Comprehensive Financial Planning includes investment advice and investment management. This can involve planning for retirement, tax planning, estate planning, insurance, benefits, and other financial life topics. A comprehensive plan involves a more detailed review of the client's overall financial position, objective, and goals and over time it typically includes all the elements described under Comprehensive Financial Planning Services. "Over time" means for some clients this process can be done in a few months, and for others it takes years to thoroughly cover all the elements. Comprehensive Financial planning includes investment management.

**Financial Planning - Hourly Services:** Hourly planning focuses on one or more specific areas that the client wants to review. In the event that a client selects hourly planning, the firm's services will be expressly limited to the topics identified by the client and advisor. With hourly services it is the client's responsibility to engage us for any additional planning steps. For hourly clients we do not initiate ongoing service or advice unless requested.

**Investment Advice/Investment Management** - Investment management services start by gaining an in-depth understanding of a client's goals, future cash flow needs, and their understanding and comfort level with the various risks associated with different types of investments. An investment strategy is then designed to meet client's stated objectives and future cash flow needs. This strategy includes advice on investments under the control of WMS and advice on "outside" investment accounts such as 401k plans, annuities, real estate, or other investments that may be used at some point to meet the client's goals and objectives. For investments under the control of WMS, WMS manages these investment management accounts in a discretionary capacity. This means within an agreed upon strategy, WMS can make needed changes to the investments without having to consult with the client about each change before it is made. In limited cases WMS will accept non-discretionary accounts. Mutual funds and exchange traded funds, specifically passively managed and/or index funds are the most common investment vehicles recommended to build client portfolios. WMS investment management services may also include advice on, but is not limited to advice on, closed end funds, individual bonds, certificates of deposit, actively managed funds, structured products and individual securities. WMS does not hold itself out to be a stock picker or market timer, nor does it recommend such strategies. Planning services are not provided to these clients unless they initiate and request the additional service.

**401(k) Plans** – Some WMS clients are companies that provide or want to provide a company sponsored retirement plan for their employees in the form of a self-directed 401(k). WMS acts as a consultant and the investment advisor for the 401(k) plan providing plan level and investment level advice. All investment decisions within participants' accounts are the sole responsibility of the individual participant.

The investment advice WMS provides is tailored to the needs of each client. The WMS advisor meets with the client to obtain information regarding the client's investment experience, investment objectives, understanding of investment risk, cash flow needs and current and future estimated tax brackets. WMS uses investment research and various schedules to evaluate alternative portfolio designs and alternative investment options. In connection with developing a recommended portfolio, the client's existing investments and investment fees are evaluated to determine how well they currently matchup with the client's stated objectives. Written investment guidelines are prepared and provided to the client. In most cases, with the client's permission, WMS can directly assist the client in implementing any needed changes. If the client so chooses, WMS will work with the client to develop a transition plan in order to reallocate assets. Even within discretionary accounts, clients may impose restrictions on investing in certain securities or types of securities. These restrictions need to be delivered in writing and agreed to by WMS.

**WMS DOES NOT PARTICIPATE IN OR OFFER ANY WRAP FEE PROGRAMS.**

**AMOUNT OF ASSETS MANAGED, DISCRETIONARY AND NON-DISCRETIONARY.**

As of December 31, 2023, the firm's total amount of discretionary and non-discretionary assets under management was \$151,626,000 and \$3,036,000 respectively.

## **ITEM 5: FEES AND COMPENSATION**

### **HOW WMS IS COMPENSATED FOR ADVISORY SERVICES**

#### Investment Management Services Fees

WMS's advisory fees will be debited directly from each client's account. Fees range from 0.00% to 1.2%. WMS's Investment Advisory Agreement authorizes the custodian to debit the account for the amount of WMS's investment advisory fee.

#### Hourly Rates

For hourly planning services WMS charges an hourly rate typically between \$120.00 and \$500.00 per hour, depending upon the complexity of the work and the experience level of the WMS employee working with the client.

#### 401(k) Plans

Certain WMS clients are 401(k) Plan clients, in which case, services for company retirement plans are provided based upon the asset-based fee.

### Other Fee Arrangements

For some clients financial planning fees and/or investment management fees may be structured as a flat annual fee invoiced on a quarterly basis.

#### **HOW FEES ARE COLLECTED**

The value of accounts are totaled on the last business day of each quarter. The appropriate fee is taken and ¼ of that fee is multiplied by the end-of-quarter account values. This fee is debited and the client pays in advance for services rendered for that calendar quarter in which the fee is debited.

For some clients, rather than debiting fees an invoice is sent each quarter for financial planning fees and/or investment advisory fees. Financial planning assignments are collected fifty (50%) percent at the onset of the engagement, followed by the balance upon completion.

For 401(k) Plan clients, as agreed to by WMS and the client/401k plan the client will either (i) pay in **arrears** for services rendered for the **previous** calendar month or quarter in which the fee is debited or (ii) pay in **advance** for services to be rendered for the subsequent calendar month or quarter for which the fee will be debited. The 401(k) company will determine and debit the Plan account daily for WMS's fee but WMS shall only be paid on either a quarterly or monthly basis in arrears or advance as applicable to the specific agreed-upon relationship. WMS does not require or solicit clients to pay fees in advance.

In some circumstances, 401(k) Plan clients will pay fees directly and separately from plan assets.

#### **ANY ADDITIONAL FEES**

All fees paid to WMS for investment advisory services are separate and distinct from any mutual fund fees (internal fees and expense ratios) or transaction fees charged by the broker/dealer or custodian to purchase or sell any investment. For example, a broker/dealer or custodian may impose a specific transaction fee to buy or sell stocks, ETFs, mutual funds, options, etc. WMS does not receive fees or compensation from a broker/dealer or custodian, nor does WMS participate in the fees they collect from the client in any way. Additional information on brokerage services can be found in Item 12 of this brochure.

Accordingly, the client should review transaction fees, the fees charged by the funds and the fees charged by WMS to fully understand the total amount of fees to be paid by the client and to thereby evaluate the value of the advisory services being provided. In full disclosure efforts, WMS is happy to assist the client by providing a detailed fee analysis of existing and proposed investment strategies.

#### **REFUNDS/TERMINATION**

Clients may terminate the agreement by providing written notice (email is acceptable) at any time. Once written notice is received, WMS will assist clients with any documentation or information needed for the transition through the end of the calendar quarter in which the written notice is received. WMS also has the ability to terminate the advisory contract, provided 30 days prior written notice is delivered to the client. If a written termination notice is delivered to the client, WMS will continue services and assist clients with any documentation or information needed for the transition through the end of the calendar quarter in which the written notice is delivered. Refunds for any unearned portion of the advisors closing

quarter's services may be requested in writing. WMS will refund any unearned fee back to all clients if services are terminated mid quarter

#### **COMMISSIONS**

No WMS personnel accept compensation for the sale of securities or other investment related products, nor do they participate in the receipt of any asset-based sales charge or service fees from the sale of mutual funds.

#### **ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

WMS does not accept performance-based fees; that is fees based on a share of capital gains on or capital appreciation of the assets of a client, nor are there any performance-based fees that arise from any investments that WMS recommends.

#### **ITEM 7: TYPES OF CLIENTS**

WMS works primarily with individuals and families and on a limited basis with corporate accounts, charitable foundations, 401(k) plans, profit sharing plans and/or defined benefit plans, generally when these accounts or plans are connected with an individual who is a WMS client. WMS does not require a minimum account size, but comprehensive planning are generally most appropriate for those with investable assets of \$1 million or more. WMS provides services only after an advisory agreement has been signed by both the client and WMS.

#### **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

##### **METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

The basic investment philosophy of WMS is to invest in investments that, in our opinion, represent good, long-term investment opportunities. In constructing an investment portfolio, WMS identifies a broadly diversified universe of eligible securities. Through diversification, we work to reduce many of the risks listed below. The practice of allocating money between different investments to reduce risk is known as diversification. An investor may be able to limit their losses and reduce the fluctuations of investment returns without sacrificing too much potential gain by picking the right group of investments. A diversified portfolio should be diversified both between asset categories and within asset categories. WMS works to identify investments in segments of each asset category that may perform differently under different market conditions when constructing a portfolio. WMS monitors the investments and investment allocation to make tactical changes as needed, taking into consideration current economic conditions, asset class return assumptions, the potential transaction charges and tax consequences. In the event that economic circumstances warrant an increase or decrease to a specific asset class or subclass allocations, changes are implemented.

Please Note: Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by WMS) will be profitable or equal any specific performance level(s). As with any investment that invests in stocks, your investment will fluctuate in

value, and the loss of your investment is a risk of investing. Your portfolio will fluctuate due to changes in the market prices of its investments. Also, your portfolio may not grow as fast as the rate of inflation and stocks tend to be more volatile than some other investments, such as bonds.

#### **MATERIAL RISKS FOR EACH METHOD/STRATEGY**

A higher allocation to equities typically has more risk than a portfolio with a lower allocation to equities. However, high allocation to bonds may create a different set of risks such as rising interest rates and creditor defaults. WMS's methods of analysis and investment strategies have their own inherent risks, as does every method of analysis. To perform an accurate market analysis WMS must have access to current/new market information. WMS has no control over the dissemination rate of market information; therefore, unbeknownst to WMS, certain analyses may be compiled with outdated market information, severely limiting the value of WMS's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

#### **RISKS IN A PARTICULAR TYPE OF SECURITY**

WMS primarily recommends index funds and Exchange Traded Funds (ETFs) or passively managed funds and Exchange Traded Funds (ETFs) which tend to have a level of risk that matches the underlying stock or bond index which the fund tracks.

WMS will occasionally recommend actively managed funds and ETFs when there isn't an index or passively managed fund or ETF for the underlying asset class.

WMS may also recommend the use of structured products, a bond issued by a large financial institution, with the return tied to an underlying index. These products contain issuer risk in addition to market risk; meaning they are backed solely by the company that issues them.

#### **ITEM 9: DISCIPLINARY INFORMATION**

There are no legal or disciplinary events to be reported for WMS, any of its principals or supervised persons.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

David Rosenthal is a 50% owner of WMS Fund Management, LLC which acts as the manager to WMS Fixed Income Fund I, LLC (the "Fund") which is an affiliated private investment limited liability company which was offered in accordance with Regulation D under SEC regulations. To address and avoid any conflicts of interest, the Fund is closed to new investors and as of July 2008 all management fees within the fund have been suspended. WMS does not charge a management fee on client assets that are invested in the Fund.

The Fund (and thus members of the Fund, who may be WMS clients) is responsible for Fund fees and expenses (such fees and expenses include operating and liquidation expenses, interest and other lenders' charges (if any), taxes (other than income taxes, which will be the responsibility of the limited partners), brokerage commissions paid in the course of the purchase or sale of securities, legal, accounting, auditing and tax return preparation fee and expenses, auditing, tax return preparation fees, and all other expert



and consulting fees and expenses arising in connection with Fund's business). As referenced in this Item 10 above, WMS does not charge a management fee on client assets that are invested in the Fund.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **CODE OF ETHICS**

WMS maintains an investment policy relative to personal securities transactions. This investment policy is part of WMS's overall Code of Ethics, which serves to establish a standard of business conduct for all of WMS's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, WMS also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by WMS or any person associated with WMS.

### **RELATED PERSONS AND INVESTMENT RECOMMENDATIONS**

WMS does not recommend investments which a related person has a direct or indirect benefit.

### **GENERAL POLICIES AND PROCEDURES**

It is the expressed policy of WMS that no person employed by the firm may benefit, either directly or indirectly from recommendations made to or transactions placed by or on behalf of advisory accounts. Employees of the firm are generally precluded from buying or selling securities for their personal portfolio(s) if their decision is substantially derived, from information obtained through his or her employment unless the information relating to the investment decision is also available to the investing public on reasonable inquiry. WMS expressly prohibits any employee from placing his or her interests ahead of its advisory clients. WMS monitors personal trading activity and this activity is reviewed quarterly to ensure compliance with the firm's policies and procedures.

## **ITEM 12: BROKERAGE PRACTICES**

### **FACTORS CONSIDERED IN SELECTING OR RECOMMENDING BROKER-DEALERS FOR CLIENT TRANSACTIONS**

WMS may in various circumstances recommend the use of Charles Schwab & Co, Inc. ("Schwab"), national discount brokerage firms, as broker and custodian. WMS recommends this broker-dealer because WMS has experienced that it has the ability to, and history of, providing excellent service to WMS clients in a timely and cost-effective manner.

Clients will establish an account at a broker for execution of securities transactions and custodial services. Schwab often offers access to no load mutual funds as well as individual securities at discounted transaction costs; in addition it enables the client to have access to mutual funds, such as an institutional share class of a fund, which has a lower cost to the client than the other share classes that would be available to the client without this arrangement. This arrangement also permits the client's investments to be maintained in one location (minimizing administrative burdens for the client and WMS). WMS

believes Schwab's transaction costs are very competitive, however, the client may pay more or less with other brokerage firms.

### **1. Research and Other Soft Dollar Benefits**

Schwab offers services, such as access to its online research or online software, to all firms like WMS that use their services. Some people may perceive this as a conflict of interest as WMS might in certain circumstances be deemed to be receiving a benefit in the form of research, market information, and/or administrative services. WMS does not perceive this as a conflict of interest as the services offered by one broker/dealer or custodian are not materially different from those offered by another, and so this is not a factor used by WMS to make a broker recommendation to a client. When appropriate, research, market information and/or administrative services obtained from Schwab may be used to service all of WMS' clients.

No client transactions have been directed to a particular broker-dealer in return for soft dollar benefits.

### **2. Brokerage for Client Referrals**

WMS does not receive client referrals from brokers.

### **3. Directed Brokerage**

WMS does not recommend, request or require that a client direct WMS to execute transactions through a specified broker-dealer, however WMS does permit a client to direct brokerage if WMS and the client determine this is the most appropriate course of action for the client. In such a circumstance the client is free to select the broker or other service provider of his or her choosing.

While the firm believes the service providers (i.e. Schwab) used by the firm provide benefits to the client, each client is expressly advised to evaluate any recommended broker or other service provider to ensure that the broker or service provider meets the clients' needs and to evaluate the rates or charges so that they are acceptable to the client. When the client selects the broker for any and all securities transactions, the firm does not typically negotiate the commission for or on behalf of the client, so the client may pay more than if the WMS recommended broker had been chosen, and any obligation as to obtaining best execution for transactions is that of the customer.

### **AGGREGATION OF PURCHASE/SALE OF SECURITIES**

Transactions for each client account generally will be effected independently, as WMS primarily recommends the use of mutual funds, and there is no benefit or detriment to the client or WMS to aggregate purchases of such funds. If WMS decides to purchase or sell the same securities for several clients at approximately the same time WMS may (but is not obligated to) combine or "batch" such orders to obtain "best execution", to save administration time in effecting the transactions, to negotiate more favorable commission rates, or to allocate equitably among WMS' clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among WMS' clients in proportion to the purchase and sale orders placed for each client account on any given day. Due to the nature of the securities WMS primarily recommends, currently there is no benefit to the client for WMS to aggregate purchases and no cost to the client if WMS does not do so. If this should change, and there would be a benefit to the client for WMS to aggregate purchases, WMS would work toward incorporating this into their practice.

To the extent that WMS determines to aggregate client orders for the purchase or sale of securities, including securities in which WMS' principals and/or associated persons may invest, WMS shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* WMS shall not receive any additional compensation or remuneration as a result of the aggregation.

### **ITEM 13: REVIEW OF ACCOUNTS**

All account reviews are conducted by a licensed WMS professional. However, all investment management clients are advised that it remains their responsibility to advise WMS of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with WMS on an annual basis. Account reviews may also be triggered by changes on investment objectives, market fluctuations, or client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. WMS may also provide a written periodic report summarizing account activity and performance.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Neither WMS nor any WMS personnel receive sales awards, referral fees or prizes for any business conducted. Any other items that could be perceived as forms of compensation are disclosed under Item 12.

### **ITEM 15: CUSTODY**

There are four avenues through which WMS could have custody of client funds; (1) by directly debiting its fees from client accounts; (2) acting as a trustee or executor of client accounts; (3) allowing a "Standing Letter of Authorization" ("SLoA") where by a client executes a single document but can initiate wire transfers multiple times to the same third party; or (4) by having the login credentials to 401(k) or other accounts in the name of the client. WMS does debit fees from client accounts and have login credentials for certain accounts. WMS does not act as a trustee or executor of client accounts and does not allow third party SLoAs that are not in writing. Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee. We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to please alert WMS of any discrepancies. WMS obtains a surprise examination at least annually by an independent accountant.

### **ITEM 16: INVESTMENT DISCRETION**

WMS provides non-discretionary and discretionary portfolio advice as to the client's investment accounts. Prior to engaging WMS to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with WMS setting forth the terms and conditions under

which WMS shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian. Before WMS assumes discretionary authority over a client's account(s), the client will execute a limited power of attorney that is within WMS' Investment Advisory Agreement.

#### **ITEM 17: VOTING CLIENT SECURITIES**

Clients of WMS vote via proxy, and WMS does not maintain the authority to vote client securities. Clients will receive their proxies and other solicitations directly from their custodian or a transfer agent. Clients should contact the custodian or transfer agent directly with questions about a particular solicitation, but clients may also call WMS with any questions related to proxies or solicitations they receive.

#### **ITEM 18: FINANCIAL INFORMATION**

WMS does not solicit fees of more than \$1,200 per client, six months or more in advance.

WMS is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

WMS has not been the subject of a bankruptcy petition.