

Portland Private Wealth Management, Inc. ("PPWM")



This brochure provides information about qualifications and business practices of Portland Private Wealth Management, Inc. ("PPWM"). Our firm may also conduct business as Eugene Private Wealth Management and Bend Private Wealth Management.

If you have any questions about the contents of this brochure, please contact:

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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 PPWM, is also available at the SEC's website www.adviserinfo.sec.gov. You can search for the firm using its unique CRD number shown below. Results will provide you free access to Parts 1, 2, and 3 (Client Relationship Summary) of our Form ADV.

We are an investment advisor firm registered with the SEC. Our registration does not imply any level of skill or training. The oral and written communications we provide to you, including this brochure, are intended for you to evaluate us. Please use this information as a factor in your decision to hire us or to continue our business relationship.

Item 1 – Cover Page ADV Part 2A

March 14, 2024

CRD #: 171321
1834 SW 58th Avenue, Suite 101, Portland, OR 97221
(503) 405-9472
www.portlandprivatewm.com

Item 2 – Material Changes

This brochure replaces the prior version dated March 24, 2023. We have made the following material changes to this brochure:

- Items 5e, 10c and 14a were amended to remove reference to insurance activities by our firm's representatives, who no longer engage in the sale of insurance.
- Item 8 has been updated to provide additional clarification of the methods of analysis and investment strategies we utilize in managing client accounts and their related risks.
- Item 12 has been updated to reflect that we now recommend Charles Schwab & Company, Inc. ("Schwab") for custodial and trade execution services. Prior versions of this brochure stated that we had recommended TD Ameritrade, Inc. ("TDA") for these services. Schwab acquired TDA in 2019 and the two firms combined operations in 2023. We have also added updated disclosures regarding certain benefits we receive from Schwab in connection with our recommendation of their services.

Except as described above, we have not made any material changes to this brochure since the prior version.

Clients should note that we have elected to relocate certain additional disclosures regarding our investment process and discipline to a separate stand-alone document. This information is made available to clients upon request by contacting us at the telephone number and e-mail address listed on the cover page of this brochure.

We will ensure that all current clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. A summary of material changes is also included within our brochure found on the SEC's website at www.adviserinfo.sec.gov. The searchable CRD number for PPWM is set forth on the cover page of this brochure. Current clients will further be provided with disclosure about material changes effecting our firm or a new brochure as may become necessary or appropriate at any time, without charge.

Currently, our brochure may be requested, free of charge, by contacting Jason McMillen or Jacob Becker at the telephone number and e-mail address listed on the cover page of this brochure.

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Item 4 – Advisory Business

4a: Firm Description

Portland Private Wealth Management, Inc., also doing business as Eugene Private Wealth Management and Bend Private Wealth Management. ("PPWM," "we," "us," "our," and "firm"), is an SEC registered investment advisor established in 2014 by its principals, Jason McMillen and Jacob Becker. Prior to that, Mr. McMillen was an investment advisor representative of First Allied Advisory Services and registered representative with First Allied Securities, Inc. since 2007, providing investment advisory and brokerage services as an independent financial advisor under the assumed business name Portland Private Wealth Management, Inc. Mr. Becker joined PPWM in 2010. Mr. McMillen has been in the financial services industry since 1996. Mr. Becker has been in the financial services industry since 2000. Our main office is located in Portland, Oregon. We also maintain branch offices in Eugene, Oregon and Bend, Oregon. Contact information for each of our offices is as follows:

<u>City</u>	<u>Street Address</u>	<u>Phone</u>
Portland (Main Office)	1834 SW 58th Ave., Suite 101, Portland, OR 97221	(503) 405-9472
Eugene	321 Mill Street, #6, Eugene, OR 97401	(541) 484-1444
Bend	532 SW 13 th Street, Ste. #100, Bend, OR 97702	(541) 323-3455

4b: Types of Advisory Services

Wealth Management Services

PPWM provides ongoing and continuous wealth management services to individuals, corporations, and non-profit organizations. We are not a custodial firm, nor do we offer any brokerage services for a commission. We provide investment advice, counsel, and consultation to investors for a fee.

Clients deposit their assets to an account held in their name at an independent custodial firm, such as Charles Schwab & Company, Inc. ("Schwab"), and grant us limited authority to buy and sell securities either on a discretionary or non-discretionary basis. When we are engaged on a discretionary basis, you authorize us to implement our investment recommendations within your account without obtaining your approval of each specific transaction. When you engage us on a non-discretionary basis, we must obtain your approval prior to implementing our investment recommendations in your account and you are free to accept or reject any of our advice.

We act as your fiduciary, responsible for the supervision and management of your investment account(s) at the custodian in a manner that comports with your investment goals, needs, limitations, and best interests. Advisory fees are generally charged based on a percentage of the value of the assets you place under our management at the qualified custodian (i.e., and asset-based fee). Please see Item 5 of this brochure for a detailed description of our fee arrangements.

PPWM utilizes a disciplined investment advisory process for each client. Portfolio solutions are based on the traditional client profile and an Investment Policy Statement ("IPS") we will prepare on your behalf (the IPS is described in further detail below in this Item 4). From this information, we attempt to determine your willingness and ability to withstand short-term declines in portfolio value in pursuit of longer-term performance and investment objectives. We consider a wide range of asset classes, markets, and securities for inclusion in your portfolio. Each quarter, we review the results in an attempt to improve our process with the goal of producing better outcomes in the future.

Based on our process, clients generally receive the following advisory services inclusive of our advisory fee:

<u>Advisory Services</u>
1) Client Profile and Financial Planning
2) Asset Allocation
3) Risk Number & Stress Testing
4) Preparation of an Investment Policy Statement

5)	Portfolio Design and Construction
6)	Security Selection
7)	Implementation, Execution, Monitoring and Review
8)	Research
9)	Investor Education

We will consult with you at the inception of the relationship and periodically thereafter, as necessary to develop an understanding of your unique client profile. We will gather information regarding your investment objectives and goals, risk tolerance, time horizon for investments, investment experience, and current financial situation. We will use this information to prepare an IPS and, at your request, to prepare a written financial or retirement plan. We will update your IPS and plan periodically based on any material changes in your investment objectives and needs, time horizon for investments, and risk tolerance occurring over time. A description of our financial planning services can be found below.

We will use the information contained in your IPS and/or plan to provide you with investment advice and to aid in the design and construction of your investment portfolio, which will typically be implemented through use of proprietary model portfolios we have designed based on the Morningstar Target Risk Asset Allocation framework. Most portfolio designs are a balance of stocks, bonds, mutual funds, exchange-traded funds (“ETFs”), inflation hedges, and cash. We use the Morningstar Target Risk Asset Allocation Framework to help investors understand their general risk exposure to financial markets. We may overweight or underweight various asset classes relative to the client’s target risk benchmark based on our outlook for the investment environment, economic conditions and forecasts. Some clients may have special circumstances where portfolios may differ from our standard investment solutions. Such portfolios will fall under the Private Advisory Accounts described below.

Once a client agrees with a recommended portfolio solution, we will make the necessary trades and monitor the portfolio regularly, suggesting changes for non-discretionary accounts or directly implementing such changes for discretionary accounts as we believe to be appropriate, including swapping out positions or rebalancing of your portfolio holdings. Although we typically use our in-house designed model portfolios in managing client accounts, actual account positions may differ from the model portfolios for a variety of reasons, including the existence of legacy positions with low cost basis in the client’s account, the closure of a fund to new investors, or the minimization of trading costs. We allow flexibility because many clients have a unique situation or circumstance which should be considered because it is in their best interest. Rebalancing, in general, is tactical in nature, meaning we do not do automatic rebalancing. Additionally, we may tactically enter a recommended portfolio solution for new clients. This means we might scale into a portfolio over time based on our views of financial markets and the general attractiveness of entry and exit points for the securities in question.

Private Advisory Accounts

As described above, some clients may want portfolio solutions unique to them and their situation which may differ from our proprietary model portfolio solutions. We may, at the client’s discretion, offer such solutions which are generally reserved for accounts exceeding \$1,000,000 in value. We refer to these accounts as Private Advisory Accounts (“PAAs”). PAAs may have legacy positions with low-cost basis, concentrated positions, the use of individual securities instead of the mutual funds we commonly use in our model portfolios, a special investment strategy, the use of options, hedging, shorting, or a portfolio where the client will want involvement in the selection and trading of the instruments in the portfolio. Like model portfolio-based accounts, PAAs may be discretionary or non-discretionary in nature. PAAs are not considered “special accounts” by the firm -- these are simply clients that may have a special need or circumstance that is different than most of our clients. Our aspiration is that each client gets the best of what the firm can offer for them and their situation. What is best for one client may not be best for the next client.

Financial Planning Services

As described above, we offer financial planning services for our clients that are integrated into our suite of wealth management services at no additional cost beyond our asset-based advisory fees. From time-to-time, clients will engage us for financial planning advisory services only or will engage us for financial consulting services beyond our normal advisory services. We may charge either a flat fee for such advisory services or charge an hourly advisory consulting fee. We prepare a financial plan for all financial planning clients using software programs such as eMoney or Morningstar. The plan considers all your assets, liabilities, goals and objectives, and includes gathering all of the

information necessary to provide you with financial advice and services which will include some or all of the following, depending on your needs:

- risk tolerance and investment objective review;
- portfolio goal setting;
- retirement planning;
- evaluation of savings in relationship to your retirement goals;
- determination of appropriate vehicles for savings;
- advice regarding cash flow and taxes;
- advice regarding debt management;
- stock option planning;
- tax planning;
- investment review;
- analysis of personal and retirement investments for diversification, internal expenses and volatility;
- discussion of college savings plans and their benefits;
- advice regarding risk management, income protection, disability planning, and other insurance needs;
- estate document review;
- review of wills, trusts and incapacity documents in relation to current objectives;
- evaluation of the need for revisions to your estate plan with your estate planning attorney;
- charitable planning;
- evaluation of current, long-term, and charitable goals and determination of appropriate assets for funding;
- planning of charitable gifts to maximize tax savings;
- determination of priority among competing goals;
- incorporation of common and individual goals of spouses;
- advice regarding family gifting, including evaluation of the timing, benefits, and risks of family gifting;
- advice regarding specific financial considerations or transactions; and
- other wealth management consultation or financial related projects.

To correctly and adequately provide financial planning advisory services, clients will need to provide detailed information and documentation. You maintain the sole discretion to accept or reject any of our financial planning recommendations and will be responsible for the implementation and monitoring of your investments. Clients are never required to utilize us to implement any of our financial planning recommendations. We encourage you to review your financial plan on a regular basis, especially if there is any change in your financial situation, investment objectives, plans, goals, risk tolerance or time horizon.

Retirement Plan Investment Consulting and Advisory Services

For business entity clients, we offer consulting services regarding the design, development, implementation, monitoring, and review of retirement plans for their businesses. We generally provide non-discretionary ERISA fiduciary services and other advisory services not deemed ERISA fiduciary services to these clients. Non-discretionary fiduciary services may include advice consistent with ERISA Section 3(21) which includes advice regarding the selection, monitoring and reviewing of investment plan options. Non-fiduciary services include advising responsible plan fiduciaries on the development of an investment policy statement, review and suggested amendments to existing investment policy statements, quarterly investment monitoring, quarterly meetings with plan fiduciaries or administrators, fee and expense analysis for the plan, benchmarking services and analysis of the operation of the plan, and plan participant group education meetings.

4c: Client Tailored Relationships and Restrictions

When you engage us for advisory services we act as your fiduciary. This means that we must act in your best interests. A fiduciary is a professional capacity where we must use care, prudence, diligence, and sound judgment as we render counsel and advice to our clients. Our portfolio solutions and investment selections are based on your investment objectives, risk tolerance, and time horizon. Clients may make requests or suggestions regarding the selection of investments made in their portfolio which may include socially responsible or environmentally friendly mutual funds, as an example. The client may instruct us to exclude certain investments such as companies involved the manufacture of weapons of mass destruction, the production of coal, or animal testing, as examples. In our capacity as a fiduciary, we cannot follow instructions that we believe may not be in your best interest. This may include purchasing a concentrated position in a single security, restricting our ability to make trades or investments

that we believe are in your best interest, or any speculation that we believe to be unnecessary and potentially harmful to your financial situation and/or goals. We may terminate a client relationship if we are put in a position that we believe compromises our fiduciary duties.

4d: Wrap Fee Program

We do not sponsor, manage, or recommend any wrap fee programs to clients.

4e: Assets under Management (AUM)

As of January 18, 2024, PPWM had approximately \$194,028,122 in discretionary assets under management (“AUM”) and an additional \$6,208,012 of non-discretionary assets under management, for total regulatory assets under management of \$200,236,134. Separate and in addition to the foregoing amounts, as of December 31, 2023, we also provide advice to eleven (11) corporate retirement plans containing approximate combined assets of \$48,212,724.

Item 5 – Fees and Compensation

5a, b & d: Fee Schedules, Payments, Termination

Wealth Management Fees

We typically charge annual asset-based fees for our wealth management services based upon the following tiered fee schedule:

Assets Under Management	Fee (%)
Less than \$500,000	1.00%
\$500,000 to \$1,000,000	0.85%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 to \$5,000,000	0.65%
\$5,000,001 to \$10,000,000	0.50%
\$10,000,001 and above	0.35%

Our fees are paid quarterly in advance, and when not directly deducted from your account, are due 30 days from the date of the invoice. Our fee is determined by taking the percentage rate we charge based on the tiered schedule above, times the market value of the account, divided by the number of days in the year and multiplied by the number of days in the quarter. The market value is the sum of the values of all assets in the account, not adjusted by any margin debit.

For purposes of illustration only, an client account with a market value of \$499,000 would pay a quarterly fee calculated as follows: $\$499,000 \times .0100 / 365 \times 90 = \$1,230.41$. For any additional assets value between \$500,000 and \$1,000,000, the fee would be 0.85%, and for next tier, between \$1,000,001 and \$3,000,000, the fee would be 0.75%, and so forth. The total fee would be a blended rate based on the tiered fee structure. Fees for partial quarters at the commencement or termination of our agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter. We reserve the right to make similar pro-rata adjustments to our quarterly fees where the client deposits additional funds or securities or withdraws funds or securities from the client’s account during the billing period in an amount we deem in our sole discretion to be material, typically those transactions in excess of 25% of value of the client’s account. If the amount of the additional fee or refund is less than \$10, no fee adjustment will be made.

Unless otherwise agreed, PPWM’s fees will be paid from your account by the custodian when we submit an invoice to them, but only where you authorize this payment method in writing. Each time a fee is directly deducted from your account, we will send the qualified custodian notice of the amount of the fee to be deducted from your account. We will only accept payment of our fees in this manner where the qualified custodian of your accounts sends you an account statement at least quarterly, reflecting all holdings in your account, their value, and a record of all transactions in your account over the period, including, without limitation, any payments of fees to PPWM. If there is insufficient

cash in your account to pay our fees, an equal balance of securities in your portfolio may be sold to pay our fee. In addition to our fees, there may be custodial, mutual fund or similar third-party management fees and charges. We will attempt to minimize such fees to the best of our ability.

Our fee includes any time and activities necessary to work with your attorney or accountant. We are not responsible for any fees your attorney or accountant may charge you.

Compensation for our services will be calculated in accordance with what is set forth in a written client agreement. We may modify the terms of any agreement by written changes submitted to the client for signature. While we strive to maintain competitive fees, the same or similar services may be available from other firms at higher or lower fees.

For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported are valued at the last reported sale price on the principal market in which they are traded. In certain circumstances, fees may be negotiable.

Financial Planning Fees

As described above, we offer financial planning services for our clients that are integrated into our wealth management services at no additional charge beyond our asset-based fees. From time-to-time, clients may engage us for financial planning services only or will engage us for financial consulting services beyond those included within our normal advisory services. Fees for these “stand-alone” financial planning services are based on a rate of \$125 per hour. Special arrangements can be made for clients that want to engage in additional or on-going financial planning services. These arrangements will be defined and agreed upon by both parties via a financial planning agreement. Hourly financial planning fees are invoiced monthly as work is performed. There is a late fee after 30 days of 1.50% per month on any unpaid fees. Financial planning clients receive their financial plans and recommendations at the time the service is completed. Depending on the type of financial planning service requested, we may meet on a regular basis with you to discuss any potential changes to your financial plan.

Retirement Plan Consulting Fees

Retirement Plan Consulting services can be charged (1) as a flat fee, (2) at an hourly rate of \$125 per hour, or 3) based on the assets under management. The fee schedule found at the beginning of this Item 5 is applicable for an asset-based fee for such advisory services. In special situations, these fees may be negotiable.

5.d.1: Termination

PPWM or the client can terminate our advisory services at any time by delivering written notice of termination to the other party. Additionally, clients may terminate our advisory services within 5 business days of initially signing an advisory agreement with our firm, without penalty.

When an agreement is terminated, we will refund any pre-paid, unearned fees based on the number of days remaining in the quarter after termination. Refunds will be made within 30 calendar days of the effective date of termination. Where an hourly fee-based engagement is terminated, the client shall pay PPWM for all unpaid time charges through termination. Where a fixed fee-based engagement is terminated, the client shall pay PPWM for all unpaid time based upon our final and binding good faith determination of the value of the work completed at the time of termination.

Upon termination and our receipt of payment of any unpaid fees, copies of any completed or partially completed materials will be delivered to the client either by mail or electronically, as designated by the client, along with a statement of services performed prior to termination. When an agreement is terminated, all assets may need to be transferred from the custodian holding the client's account. You will be responsible for paying all fees, including full quarterly custodial administrative fees, account closure fees, mutual fund fees and all trading costs due to the termination. The custodian may assess additional fees for transfer of illiquid investments. If there is insufficient cash in the account, the liquidation of some securities may be used to pay the fees. We will contact you prior to liquidation to discuss a collaborative plan of action. Prior to termination of an agreement, we can provide a good-faith estimate of these fees upon request of the client.

5c: Third Party Fees

The client is responsible for the payment of all third-party fees (i.e., custodian fees, mutual fund fees, transaction fees and trade commissions, etc.). Those fees are separate and distinct from the advisory fees payable to PPWM and we do not share in or receive any benefit from any of these fees.

All brokerage commissions, stock transfer fees, and other similar charges incurred in connection with transactions for your account will be paid out of the assets in the account (or charged separately by the provider) and are in addition to the investment advisory fees paid to us. While we take measures to ensure the fees charged are accurate, it is your responsibility to ensure the amount of fee charged is correct. In addition to statements sent by us, you will receive statements directly from the custodian(s). We strongly urge you to compare these statements with those provided by our firm for accuracy.

5e: Other Investment Compensation

PPWM and its investment advisor representatives act in a fiduciary capacity. We are a fee-based advisor. We cannot and do not accept or collect brokerage commissions, 12b-1 fees, or loads for the purchase or sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. We also do not pay or receive fees of any kind in exchange for client referrals. We believe our fee-based method of doing business mitigates against conflicts of interest and best aligns with our role as your fiduciary.

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

When appropriate, we may offer certain clients the option of being charged a performance-based fee for our investment advisory services. To be eligible for performance-based fees, the client must meet the definition of a "qualified client" as such term is defined under Rule 205-3 of the Investment Advisers Act of 1940. Generally, a qualified client is a person who has at least \$1,100,000 of assets under management with us or who has a net worth over \$2,200,000, either alone or together with a spouse (excluding the value of the person's primary residence). This definition is based on current rules and regulations and is subject to change outside of our control.

We may manage accounts that are subject to performance-based fees while at the same time managing accounts (perhaps with similar objectives) that are not charged performance-based fees ("side-by-side management"). Performance-based fees and side-by-side management create conflicts of interest, which we have identified and described in the following paragraphs.

Performance-based fee arrangements may create an incentive for our firm to make investments that are riskier or more speculative than would be the case absent such arrangements. In order to address this potential conflict of interest, a senior officer of our firm periodically reviews client accounts to ensure that investments are suitable and that the account is being managed according to the client's investment objectives and risk tolerance.

Performance-based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. Generally, we do not recommend illiquid or non-listed investments that do not have a readily available market quote. However, in the event that such an investment was in the best interest of the client relative to the client's time horizon, risk tolerance, and investment objectives, and seemed like a good choice among the universe of similar or competing investment choices, we may purchase such an investment for a client in their account. While we expect that virtually all of the securities we purchase for client accounts to have readily available market quotations, to address this potential conflict of interest we have adopted policies and procedures that require our firm to "fairly value" any investments, which do not have a readily ascertainable value.

We generally do not offer performance-based fee structures to clients. As of the date of this brochure, PPWM has only one performance-based fee arrangement in place, which was entered into at the specific request of the underlying client. This account is generally managed as it was before it became subject to a performance-based fee arrangement, and is not managed significantly differently, if at all, from other accounts of similar size, risk tolerance, investment objectives, and time horizon that are not subject to such fee arrangements. PPWM does not consider performance-based fee accounts to be different or special as compared to any other account(s) advised by the firm.

However, side-by-side management might provide an incentive for our firm to favor accounts for which we receive a performance-based fee. For example, we may have an incentive to allocate limited and or high growth investment opportunities to clients who are charged performance-based fees over clients who are charged asset-based fees only. We have never done this nor have any process or program in place to lead to such an outcome. To address this potential conflict of interest, we have instituted policies and procedures that require our firm to allocate investment opportunities (if they are suitable) in an effort to avoid favoritism among our clients, regardless of whether the client is charged performance fees.

Item 7 – Types of Clients

PPWM generally provides advisory services to the following types of clients:

- individuals;
- high net worth individuals;
- trusts and estates;
- family offices;
- retirement, profit sharing, and pension plans (ERISA plans);
- corporations; and
- non-profit and charitable organizations (foundations and endowments).

Minimum Account Size

We typically require a minimum account size of \$500,000 to engage our advisory services. Client accounts may be aggregated to achieve the minimum account size and we may waive this requirement in our sole discretion.

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

8a: Methods of Analysis and Investment Strategies

Approach

Our investment approach begins with our belief that there is no Holy Grail of investing. The Holy Grail is a mythical cup that first appeared in medieval literature and legends. Many books and movies have been written or made about the search for this cup, or some variant of this legend. The premise is if you drink from the cup, or possess this item, it provides eternal life, superpowers, divinity, or most commonly, you can rule world. A key element of these stories is much time, blood and treasure is spent searching for this mythical cup. The basic theme of this myth is the cup cannot be found, it was a waste of time, or most ironically, you die because you found it and cannot experience its benefits. There are thousands of investment advisors and thousands of investment strategies. Many represent themselves as if they found the Holy Grail of investing. Many investors and advisors bounce from strategy to strategy in search of a Holy Grail, doing no better than if they followed a basic, well-planned, well-diversified, investment strategy. This outcome is routinely confirmed by DALBAR, a research company that studies investor behavior and outcomes. (DALBAR, *Quantitative Analysis of Investor Behavior 1991 - 2021*, 2022)

Focus

We think good investment advice is based on experience, competence, and research. We further believe simpler is generally better in terms of investment strategy and selection. Additionally, we think minimizing fees and tax efficiency is critical to our role as fiduciaries working in the best interests of our clients. We want our investment solutions to be transparent and straightforward. We call it getting back-to-basics. With almost three decades participating in and observing financial markets, we have determined that we can only focus on so many things:

PPWM Focus
Minimizing fees
Tax efficiency
Transparency
Diversification
Risk management
Accountability

Analytical Process

Our general analytical investment process and discipline is outlined below:

Investment Process & Discipline
1. Risk-Adjusted Returns
2. Market Cycle
3. Research Discipline
4. Top-Down; Bottom-up
5. Key Factors
6. Model Portfolios
7. Technical Analysis
8. Sources of Information

We may use some or all of the following *methods of analysis* in providing investment advice to you:

Fundamental Analysis: In using fundamental analysis, we attempt to determine the intrinsic value of target securities through a review of, among other things, company specific financial disclosures, the strength and track record of management personnel, industry sector financial health, and at a macro level, the overall direction of the economy at large. We use this information as a basis to determine if such securities are underpriced or overpriced relative to current market prices and then to make a buy or sell recommendation to you. Relying on this type of analysis leaves open the risk that the price of a security may move along with the overall direction of the market, irrespective of the economic and financial factors which may have indicated that an opposite movement would have been expected.

Technical Analysis: We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movements. Technical analysis does not consider the underlying financial condition of a company or security. This presents a risk insofar as a poorly managed or financially unsound company may underperform regardless of overall market movement.

We may use some or all of the following *investment strategies* in providing investment advice to you:

Asset Allocation: Asset allocation is an investment strategy that attempts to balance risk versus return by adjusting the percentage of each asset in an investment portfolio according to the investor's risk tolerance, goals, and investment time frame. Asset allocation is based on the principle that different assets perform differently in different market and economic conditions. A fundamental justification for asset allocation is the notion that different asset classes offer returns that are not perfectly correlated, hence diversification reduces the overall risk in terms of the variability of returns for a given level of expected return. Although risk is reduced as long as correlations are not perfect, it is typically forecasted (wholly or in part) based on statistical relationships (like correlation and variance) that existed over some past period. Expectations for return are often derived in the same way. The primary goal of an asset allocation strategy is to create an asset mix that seeks to provide the optimal balance between expected risk and return for a long-term investment horizon.

A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate to meet your investment goals.

Mutual Fund and ETF Selection and Analysis: We evaluate and select mutual funds and ETFs for your account based on several factors which may include, without limitation, (1) the experience and track record of the underlying portfolio manager(s), (2) the performance of the fund over time and through various market conditions; (3) expected market conditions that might impact the underlying holdings of the fund or applicable market sector; and (4) whether and to what extent the underlying holdings of the fund overlap with other assets held in your account. We also monitor the funds we select in an attempt to determine if the fund is continuing to follow its stated investment strategy.

A risk of this form of analysis is that, as in all securities investments, past performance does not guarantee future results. A fund manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of the fund are determined by independent fund managers and may change overtime without advance warning, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund, which could make the holding(s) less suitable for the client's portfolio.

Long-term Purchases: We may recommend a long term "buy and hold" approach to investing client assets. In this type of investment strategy, we suggest the purchase of securities with the idea of holding them in a portfolio for a year or longer. Typically, we employ this strategy when (1) we believe the securities to be currently undervalued, and/or (2) we want the portfolio to have exposure to a particular asset class over time, regardless of the current 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 advantage 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 recommendation to sell.

Please contact us at the telephone number on the cover page if you would like to receive more detailed information about our Investment Process and Discipline.

8b: Summary of Investment Risks

PPWM uses its best judgment and good faith efforts in rendering services to clients. The firm cannot warrant or guarantee any level of account performance, or that an account will be profitable over time. **Not every investment recommendation made by the firm will be profitable.** Investing in securities involves risk of loss that clients should be prepared to bear. Clients assume all risk involved in the investment of account assets. Clients are again reminded that investments are subject to various market, currency, economic, political, and business risks.

All investments include a risk of loss. Investing entails many risks, including the possible risk of principal. An investment in any equity, bond, fund, or other financial instrument may be speculative and involve significant risks. Investors should understand these risks and have the financial ability and willingness to accept these risks before considering any investment strategy.

We cannot guarantee any level of performance or that you will not experience financial loss. You must understand that there is a risk of loss of the assets we manage due to circumstances out of our control. We use our best efforts and expertise to manage your assets.

Time Horizon / Risk Tolerance

We ask clients to carefully consider their time horizon and risk tolerance when approving what investment strategy or strategies we will employ in their accounts. For example, the time period following a significant decline in stock prices may not be the best time to switch your risk tolerance from aggressive to conservative. 2020 may be one of the best examples, as panic beset markets in March of 2020, with the S&P 500 falling -36% over the course of four weeks, and subsequently rising +72% from the March low through the end of the year. Once again, those who sold their stocks into the panic failed to benefit from the recovery in stock prices that followed. Additionally, after a long and significant rise in stock prices may not be a good time to switch your risk tolerance from conservative to aggressive. We have seen this kind of behavior repeatedly. From our general experience, such behavior typically proves detrimental to our pursuit of reasonable risk-adjusted returns over the intermediate to longer-term for our clients.

Financial Panics

The financial panic of 2008/2009 demonstrates that financial markets can be extremely volatile. Investors that did not have the risk tolerance to accept the volatility that ensued or a long enough time horizon to wait for the recovery, suffered significant loss when they sold during the financial panic and did not participate in the recovery of asset prices when the panic and recession ended.

Bear Markets

In our Investment Process and Discipline methodology we explain how we consider investment strategy within the context of a market cycle. Our analytical approach, research process, investment strategies, portfolio construction, risk management and pursuit of reasonable risk-adjusted returns are all designed to manage risk and derive returns from the natural ebb and flow of economic activity and asset prices. This ebb and flow is identified as expansions and contractions, bull and bear markets. Contractions, also called recessions, are always accompanied with a bear market, commonly defined as a -20% or more decline in prices since the most recent peak for stocks. It is very difficult to precisely time and avoid a bear market. If you choose to invest in financial markets, bear markets come with the territory.

If you do not have the risk tolerance to accept the inevitable volatility that comes with investing in financial markets, or you do not have the time horizon to wait for any potential recovery in asset prices, or you believe that we are the brink of a new Dark Ages, where general progress comes to a halt, our investment counsel, advice and investment strategies are not for you.

Selection Risk

You increase the risk that you may have no recovery in asset prices when you invest in individual stocks and bonds, as well as sector or country specific funds. Think of companies like WorldCom, Enron, Lehman Brothers, AIG, or Washington Mutual; countries like Argentina, Russia, or Venezuela. Diversification in broad assets classes and pooled investment vehicles may help mitigate this risk.

The Big Assumption

Our investment process is predicated on the assumption that market cycles will continue, and general progress will continue. In our view, the single largest risk to the investment strategies we use in managing client accounts is that there may be a decline and no recovery. We believe that these cycles will continue into the future. These cycles are not inevitable, and we do not guarantee that future recessions, bear markets, and financial panics will end with a recovery in asset prices. It is possible that asset prices never recover.

8c: Risks Related to Recommended Investments

While all investing involves risks and losses can and will occur, we generally recommend a broad and diversified allocation of securities and other investments intended to reduce the specific risks associated with a concentrated or undiversified portfolio. Nonetheless, you should consider the following high-level summary of specific investment risks. This list is not intended to be an exhaustive description of all risks you may encounter in engaging our firm for advisory services. We encourage you to inquire with us frequently about the risks related to any investments in your account.

Risk of Loss: Securities investments are not guaranteed, and you may lose money on your investments. As with any investment manager that invests in common stocks and other equity securities, our investment recommendations are subject to market risk—the possibility that securities prices will decline over short or extended periods of time. As a result, the value of your account(s) will fluctuate with the market, and you could lose money over short or long periods of time. You should recognize whenever you determine to invest in the securities markets your entire investment is at risk. Clients should not invest money if they are unable to bear the risk of total loss of their investments.

Economic Risk: The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

Financial Risk: Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the “dot com” companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.

Market Risk: The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company’s intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security’s price due to company specific events (e.g., earnings disappointment or downgrade in the rating of a bond) or general market risk (e.g., such as a “bear” market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

Interest Rate Risk: Certain investments involve the payment of a fixed or variable rate of interest to the investment holder. Once an investor has acquired or has acquired the rights to an investment that pays a particular rate (fixed or variable) of interest, changes in overall interest rates in the market will affect the value of the interest-paying investment(s) they hold. In general, changes in prevailing interest rates in the market will have an inverse relationship to the value of existing, interest paying investments. In other words, as interest rates move up, the value of an instrument paying a particular rate (fixed or variable) of interest will go down. The reverse is generally true as well.

Risks Related to Analysis Methods: Our analysis of securities relies in part on the assumption that the issuers whose securities we recommend for purchase and sale, 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.

Securities Transactions at the Direction of Clients: Client assets are held at an independent qualified custodian in the client’s name. You will typically maintain the concurrent ability to direct transactions within your account. We are not responsible for the consequences of your self-directed investment transactions or the costs and fees they generate within your account.

Interim Changes in Client Risk Tolerance and Financial Outlook: The particular investments recommended by our firm are based solely upon the investment objectives and financial circumstances disclosed to us by the client. While we strive to meet with clients at regular intervals (at least annually, unless otherwise agreed, either in person, telephonically, or by electronic means) to discuss any changes in the client’s financial circumstances, the lack of constant and continuous communication presents a risk insofar as your liquidity, net worth, risk tolerance and/or investment goals could change abruptly, with no advance notice to our firm, resulting in a mis-aligned investment portfolio and the potential for losses or other negative financial consequences.

It is your continuing and exclusive responsibility to give us complete information and to notify us of any changes in your financial circumstances, income level, investment goals or employment status. We encourage you to contact us regularly and promptly to discuss your investment and any changes to your financial circumstances.

Item 9 – Disciplinary Information

9a: Civil or Criminal Actions

PPWM and its management personnel have never been found guilty, convicted of, or plead no contest to a criminal or civil action in a domestic, foreign or military court.

9b: Administrative Enforcement Proceedings

PPWM and its management personnel have never been found by the SEC, any other state or federal agency or any foreign regulatory agency to have caused loss of the ability of an investment-related business to do business or been sanctioned, barred, or limited in investment-related activities.

9c: Self-Regulatory Organization Enforcement Proceedings

PPWM and its management personnel have never been found by a self-regulatory agency to have caused loss of the ability of an investment-related business to do business. Additionally, PPWM and its management personnel have never been found in violation of self-regulatory agencies rules such that they were barred, suspended, limited in advisory functions or fined.

Item 10 – Other Financial Industry Activities and Affiliations**10a: Registration as a Broker-Dealer or Registered Representative of a Broker-Dealer**

Neither PPWM nor any of its employees are registered or intend to register as a broker-dealer or a registered representative of any broker-dealer.

10b: Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PPWM nor any of its employees are registered or intend to register as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of any of the foregoing.

10c: Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

The principal business of PPWM is that of a registered investment advisor. We do not have any relationships, industry activities, affiliations or arrangements and do not collect any additional compensation, directly or indirectly, that creates a material conflict of interest with our clients.

We will disclose any material conflict of interest relating to the firm, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

10d: Selection of Other Advisors

PPWM is not paid for the selection of other advisors, asset managers, or portfolio managers.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**11a: Code of Ethics Description**

PPWM has adopted a Code of Ethics that governs many potential conflicts of interest we have when providing advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you and to stresses the importance of a culture of compliance within our firm.

An additional benefit of our Code of Ethics is to detect and prevent violations of securities laws, including obligations we owe to you. Our Code of Ethics is comprehensive is distributed to each employee at the time of hire, and annually thereafter if there are changes. We also supplement the Code of Ethics with annual training and on-going monitoring of employee activity. A complete copy of our Code of Ethics will be supplied to you, free of charge, upon request it by contacting us at the telephone number on the cover page of this brochure.

The Code of Ethics includes the following:

- requirements related to the confidentiality of your personal, business and financial information;
- prohibitions on insider trading (if we are in possession of material, non-public information);
- policies for the reporting of gifts and business entertainment;
- policies for internal tracking and reporting of employee and firm transactions; and
- policies for reporting (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by law).

On an annual basis, we require all employees to re-certify their acceptance and understanding of our Code of Ethics; identify members of their household and any account to which they have a beneficial ownership (including accounts they own or over which they exercise authority); and disclose all of their securities holdings, including securities held in certificate form.

11b - d: Participation or Interest in Client Transactions

Our firm and our associated persons do not have any proprietary or material interests in or any role in the management of any companies or investments that we recommend to our clients.

PPWM and/or its associated persons may manage their own investment accounts or accounts that belong to their family or their affiliates (collectively, "Proprietary Accounts") while simultaneously managing client accounts. Proprietary Accounts may buy and sell the same securities as we buy or sell (or recommend for purchase or sale) to client accounts. This practice creates an actual conflict of interest with our clients insofar as our firm and/or our associated persons may have a financial incentive to trade in securities for Proprietary Accounts in advance of or opposite to transactions in the same securities for client accounts. To address this conflict, our policy is that, assuming the purchase or sale is otherwise appropriate for the subject client accounts, we will purchase or sell securities for our clients' accounts, as the case may be, before purchasing or selling any of the same securities for any Proprietary Accounts. In some cases, we and our associated persons may buy or sell securities for Proprietary Accounts for reasons not related to the strategies deployed on behalf of our clients.

PPWM will fully disclose its participation or interest in any client transactions so that you can make informed decisions. We will always evaluate our activity from the view of our clients to ensure that any and all required disclosures are made. For example, we will disclose anything that would cause you to be unfairly influenced to make any decision regarding actions or inactions in your account.

Item 12 – Brokerage Practices

12a: Our Brokerage Practices

Recommendation of Broker-Dealers: As part of our services, we will recommend a broker-dealer to serve as the custodian of your assets. As of the date of this brochure, we typically recommend that clients engage Schwab for custodial and trade execution services. We may recommend that clients engage different custodians and executing brokers in the future. Clients are not required to effect transactions through any broker-dealer recommended by us and may ask us to use other custodians and broker-dealers to effect transactions.

Schwab is an independent SEC-registered broker-dealer and Member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). We are not affiliated with Schwab and Schwab does not monitor or control the activities of PPWM or its personnel. Schwab will act solely as a custodian and/or broker-dealer to your account, and not as your investment advisor. They will hold your assets in a brokerage account or accounts and buy and sell securities and execute other transactions when instructed to do so by you or PPWM. We do not have the discretion to determine the commission rates at which transactions are to be affected for your account. These rates are determined based upon the contractual agreement you will independently enter with Schwab.

Best Execution: In recommending broker-dealers, we have an obligation to seek the "best execution" of transactions for client accounts. This duty requires us to seek to execute securities transactions for clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended broker-dealer's services. Some of the factors we may consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer's reliability, speed of processing, interface and investing tools, ability to deliver "best execution" in terms of the price of securities purchased in open markets, research services/ancillary brokerage services provided, and other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, we will continue to recommend that clients engage

Schwab until their brokerage and custodial services do not result, in our opinion, in best execution of client transactions.

Directed Brokerage: If the client selects a broker-dealer other than those recommended by our firm (i.e., directed brokerage), you are advised that we may be unable to seek best execution of transactions for your account and your commission costs may be higher than those experienced by clients who have engaged our recommended custodian(s). For example, in a directed brokerage account, you may pay higher brokerage commissions and/or receive less favorable prices on the underlying securities purchased or sold for your account. In addition, where you direct brokerage, we may place orders for your transactions after we place transactions for clients using our recommended custodian. We reserve the right to reject your request to use a particular broker-dealer if such selection would frustrate our management of your account, or for any other reason.

Soft Dollars: Schwab and other broker-dealers may provide us with certain brokerage and research products and services that qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934 (“Exchange Act”). This is commonly referred to as a “soft dollar” arrangement. These research products and/or services will assist us in our investment decision making process. Such research generally will be used to service all of our client accounts, but brokerage charges paid by the client may be used to pay for research that is not used in managing that specific client’s account. Your account may pay to Schwab a charge greater than another qualified broker-dealer might charge to affect the same transaction where we determine in good faith that the charge is reasonable in relation to the value of the brokerage and research services received.

Benefits Received from Schwab: Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like PPWM. They provide us and our clients with access to institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available to PPWM various support services. Some of those services help us manage or administer our clients’ accounts; while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a minimum value of assets with Schwab. Below is a more detailed description of Schwab’s support services.

Services That Benefit Clients: Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which PPWM might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit clients and their accounts.

Services That May Not Directly Benefit Clients: Schwab also makes available to PPWM other products and services that benefit us but may not directly benefit our clients. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third-parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that provides access to client account data (such as duplicate trade confirmations and account statements); facilitates trade execution; provides pricing and other market data; facilitates payment of our advisory fees from our clients’ accounts; and assists us with back-office functions, recordkeeping, and client reporting.

Services That Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include access to educational conferences and events; consulting on technology, compliance, legal, and business needs; access to publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of the above services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may discount or waive its fees for some or all of these services. The research and brokerage services provided to PPWM by Schwab qualify for the safe harbor exemption defined in Section 28(e) of the Exchange Act.

The aforementioned research and brokerage services are generally used by PPWM to manage accounts for which PPWM has trading authority at Schwab. Without these arrangements, PPWM might be compelled to purchase the

same or similar services at its own expense. As part of our fiduciary duty to clients, PPWM endeavors at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons creates a conflict of interest and indirectly influences our recommendation of Schwab to clients. PPWM examined this potential conflict of interest in choosing to recommend Schwab and has determined that the recommendation of Schwab is in the best interests of our clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Except as described above in this Item 12, we do not receive any compensation or incentive for recommending that you engage any custodian or broker-dealer for trade execution or custodial services. Schwab does not make client brokerage commissions generated by client transactions available for our firm's use. PPWM does not receive client referrals in exchange for directing client transactions to any custodian or broker-dealer.

12b: Sales Aggregation

PPWM is authorized to aggregate purchases and sales and other transactions made for your account with purchases and sales and other transactions in the same or similar securities or instruments for other clients of ours. When we aggregate transactions, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price obtained. Stock exchange regulations may in certain instances prevent the executing broker-dealer from delivering to the account a confirmation slip with respect to its participation in the aggregated transaction and, in such event, we will advise you in writing of any purchase or disposition of instruments for the account with respect to any such aggregated transaction. We will direct that confirmations of any transactions effected for the account will be sent, in conformity with applicable law, to you.

Item 13 – Review of Accounts

13a: Periodic Reviews

Accounts are reviewed and supervised by Jacob I. Becker, President, and Jason S. McMillen, Co-Chief Investment Officer. Accounts are typically reviewed on a quarterly basis, but in no event less than annually.

13b: Additional Review Triggers

More frequent reviews are triggered by a change in your investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; or, changes in the investment environment or economic outlook, including, without limitation:

- GDP (economic growth);
- interest rates (monetary conditions);
- inflation;
- earnings; and
- valuations.

13c: Regular Reports

All investment advisory clients will receive quarterly written reports from PPWM for assets under management with the firm. The custodian will separately provide trade confirmations, monthly, and/or quarterly statements. We strongly recommend that clients review these statements carefully for any errors and stay current with their investment strategy and portfolio solutions.

Item 14 – Client Referrals and Other Compensation

14a: Economic Benefits Provided by Third Parties for Advice Rendered to Clients

As referenced in Item 12 above, Schwab provides services and products to us without cost or at a discount that we may use to service some or all of our client accounts. We may enter into similar arrangements with other broker-dealers and custodians in the future. As part of its fiduciary duties to clients, PPWM endeavors at all times to put the

interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons in and of itself creates a potential conflict of interest and may indirectly influence our choice to recommend that clients engage Schwab for brokerage and custodial services.

14b: Compensation to Non-Advisory Personnel for Client Referrals

PPWM does not directly or indirectly compensate any person for client referrals.

Item 15 – Custody

All client funds and securities on which we advise are held in accounts titled in the client's name maintained by an independent qualified custodian (typically, Schwab). For wealth management clients, the custodian will be authorized to execute trades within the client's account upon our instructions, acting within the scope of the authority granted to us in our written advisory agreement with the client and the custodian's account opening documentation.

Where we directly debit our advisory fees from your account held at the custodian, the custodian will independently send you an account statement at least quarterly identifying the amount of funds and each security in your account at the end of the period and setting forth all transactions in your account during the period, including the amount of any fees paid to us. Your custodian is not responsible for verifying the accuracy of our fee calculations. *Therefore, we encourage you to review the custodian's account statements carefully upon receipt.* If you believe our fees have been miscalculated or if you have any other questions related to your account, you should contact us immediately at the telephone number listed on the cover page of this brochure.

In addition to this, clients may elect to execute standing letters of authorization ("SLOAs") granting PPWM the ability to disburse or transfer funds from their accounts held at the qualified custodian to third party payees. Where a client has executed a SLOA, PPWM follows the guidance set forth in the SEC's no-action letter to the Investment Adviser Association dated February 21, 2017.

Item 16 – Investment Discretion

Wealth management services clients are typically required to grant our firm ongoing and continuous discretionary authority to execute our investment recommendations within their account(s) held at the independent qualified custodian *without* obtaining their approval for each specific transaction. In a discretionary arrangement, you authorize us to purchase and sell securities and instruments in your account(s), arrange for delivery and payment in connection with the foregoing, and act on your behalf in all matters necessary or incidental to the handling of the account, including monitoring of your assets. Occasionally, we will agree to manage a client account on a non-discretionary basis. In these circumstances, we are required to obtain your consent prior to implementing any securities transactions within your account, except for instances where we seek to rebalance your account to an asset allocation you have previously approved or to convert your existing mutual fund holdings to a lower-cost share class (when possible and in your best interests to do so). Under either arrangement, we will act in strict accordance with your stated investment needs, objectives, and restrictions when exercising trading authority over your designated account(s).

Financial planning and consulting services are non-discretionary in nature. The client makes all final investment decisions and is responsible for implementation and ongoing monitoring of investments.

Item 17 – Voting Client Securities

Clients of PPWM retain the authority and responsibility to vote proxies and will continue to do so unless we otherwise agree in writing. You should ensure that proxy ballots are mailed directly to you by selecting this option on your custodial application forms. You are welcome to delegate said proxy voting authority to a third-party representative (non-advisory personnel) by filing the appropriate custodial form.

Item 18 – Financial Information

18a: Balance Sheet

We do not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance. Therefore, we are not required to provide a balance sheet with this brochure.

18b: Financial Conditions

As an advisory firm that maintains discretionary authority for client accounts, PPWM is required to disclose any financial condition that is reasonably likely to impair its ability to meet its contractual obligations. We have no such financial circumstances to report.

18c: Bankruptcy Petition

PPWM has never been the subject of a bankruptcy petition.