

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

Form ADV, Part 2A, Item 1

**Cover Page**

**Philip James Wealth Management, LLC  
d/b/a  
PGI Wealth Management**

**13680 Highway 9, Suite C100  
Milton, GA 30004**

**Tel: (888) 493-9022**

**March 8, 2024**

**FORM ADV PART 2  
FIRM BROCHURE**

**This brochure provides information about the qualifications and business practices of Philip James Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (888) 493-9022. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about PGI Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for PGI Wealth Management is 297517.**

**PGI Wealth Management is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## ***Material Changes***

### Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure. Each year, we will ensure that you receive a summary of any material changes to this and subsequent brochures by April 30th. We will further provide you with our most recent brochure at any time at your request, without charge. You may request a brochure by contacting us at (888) 493-9022.

### Material Changes since the Last Update

PGI Wealth Management has had the following material changes since its last Annual Update filing on March 28, 2023.

- The primary office address remains at 13680 Highway 9, Suite C100, Milton, GA 30004 but the office location at 13680 Highway 9, Suite G100, Milton, GA 30004 has closed.
- The Florida office address was moved from 2525 Ponce de Leon, Suite 200, Coral Gables, FL 33134 to the new address at 150 S. Pine Island Road, Suite 300, Plantation, FL 33322.

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## ***Advisory Business***

Philip James Wealth Management, LLC d/b/a PGI Wealth Management (hereinafter called "PGI") is a Registered Investment Adviser based in Milton, Georgia, and incorporated under the laws of the State of Minnesota. PGI is principally owned by Nicholas McElroy and Todd McElroy. PGI is registered with the Securities and Exchange Commission and subject to the rules and regulations of the US Advisers Act. Founded in August 2018, PGI provides investment advisory services, which may include, but are not limited to, the review of client investment objectives and goals and recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds. Our investment advice is tailored to meet our clients' needs and investment objectives. Clients may impose restrictions on investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.) by providing a signed and dated written notification, of which an e-mail is also an acceptable form of notification. PGI also provides financial planning consulting services including, but not limited to, risk assessment/management, investment planning, estate planning, financial organization, or financial decision making/negotiation.

PGI provides investment advisory and other financial services through its Investment Advisory Representatives ("IAR") to accounts opened with PGI. Accounts that are managed by PGI on a fee basis are available to individuals, high net worth individuals, pension and profit-sharing plans, and non-profit and charitable organizations.

PGI provides discretionary and non-discretionary investment advisory services to some of its clients through various types of managed accounts. A managed account is an account managed by PGI on a fee basis. PGI will assist clients in determining the suitability of the managed account programs for the client. The IAR is compensated through a comprehensive single fee for asset management services, in which pension consulting services are included, and the account may be assessed other charges associated with conducting a brokerage business.

### **Pension Consulting Services**

PGI provides pension consulting services in combination with asset management services. These services may include: Plan Design, Designing the Investment Lineup, Administration of the Plan, Service, Education or Fiduciary Support.

### **Insurance**

You may purchase insurance products offered through PGI pursuant to a plan or consultation. IARs typically receive commissions as insurance agents in connection with such transactions. Thus, in these circumstances the IAR will have a conflict of interest when providing these services because they will likely receive additional compensation if you choose to execute transactions through them in this capacity. You are under no obligation to purchase products or services recommended by us or our IARs.

The firm does not participate in any wrap fee programs.

As of February 27, 2024, the firm has \$211,104,453 in assets under management: \$211,104,453 in discretionary assets under management, and \$0 in non-discretionary assets under management.

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## ***Fees and Compensation***

The following types of fees will be assessed:

**Asset Management** – Pension consulting services are included in the fees for asset management services. Fees are charged quarterly in advance or arrears and are based primarily on asset size and the level of complexity of the services provided. In individual cases, PGI has the sole discretion to negotiate fees that are lower than the standard fee shown or to waive fees. Instances where fees may be reduced or waived include for employees of the firm, friends or relatives of employees of the firm, and the potential and/or expectation of assets increasing in the foreseeable future. Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. Comparable services for lower fees may be available from other sources. Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. Fees are based on the daily average value of the assets of the previous quarter or the value of assets on the last day of the previous quarter, or a fixed fee not to exceed 2%. Annual fees range up to 2.00% depending on the amount of assets under management (“AUM”).

As authorized in the client agreement, the account custodian withdraws PGI Wealth Management’s advisory fees directly from the clients’ accounts according to the custodian’s policies, practices, and procedures. The custodian will send the client a statement at least quarterly which includes the amount of any fees paid to PGI for advisory services. You should carefully review the statement from your custodian/broker-dealer’s statement and verify the calculation of fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees are charged in advance or arrears on a quarterly basis, meaning that advisory fees for a quarter are charged on the first day of the quarter. Clients may terminate investment advisory services obtained from PGI, without fee or penalty, upon written notice within five (5) business days after entering into the advisory agreement with PGI. Thereafter, the client may terminate advisory services upon written notice delivered to and received by PGI. Clients who terminate investment advisory services during a quarter are charged a prorated advisory fee based on the date of PGI’s receipt of client’s written notice to terminate. Any unearned pre-paid fees will be refunded to the client on a pro-rata basis based on the date of termination.

### **Additional Fees and Expenses**

In addition to advisory fees paid to PGI as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These

fees vary by broker and/or custodian. Clients should ask PGI for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. PGI does not share any portion of such fees. Additionally, for any mutual funds purchased, the client may pay their proportionate share of the funds' distribution, internal management, investment advisory and administrative fees. Mutual fund companies impose internal fees and expenses on clients. Mutual funds purchased or sold in custodian accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the mutual fund company. Mutual funds held in custodian accounts also charge management fees. Such fees are not shared with PGI and are compensation to the fund manager. Clients are urged to read the mutual fund prospectus prior to investing.

Please refer to Item 12 "Brokerage Practices" of this brochure for additional information.

Representatives of PGI Wealth Management may also be licensed insurance agents. From time to time, they may offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as the sale of commissionable products conflicts with the fiduciary duties of a registered investment adviser. PGI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients always have the right to decide whether to implement any insurance recommendations made by the firm. If the client does decide to implement those recommendations, they always have the right to do so through the insurance agent of their choice.

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### ***Performance-Based Fees and Side-By-Side Management***

PGI Wealth Management does not charge performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or appreciation of the assets of a client. Our fees are calculated as described in Fees and Compensation section above and are not charged on the basis of performance of your advisory account.

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### ***Types of Clients***

PGI offers investment advisory services to individuals, high net worth individuals, pension and profit sharing plans, and non-profits and charitable organizations. There is no minimum account size to open and maintain an advisory account, nor are there any conditions or restrictions in maintaining an advisory account with PGI.

### ***Methods of Analysis, Investment Strategies, and Risk of Loss***

PGI's methods of analysis and investment strategies incorporate the client's needs, goals, investment objectives, time horizon, and risk tolerance. PGI will often recommend long-term strategies, such as dollar-cost averaging, reinvestment of dividends or other proceeds on investments and asset allocation. Recommendations can also be made to help you realize capital gains or losses on securities or investment products that you own and will consider the clients' risk tolerance levels, goals, investment history and experiences, time horizon, and other relevant factors as determined during the engagement process, as well as on an on-going basis. Generally, PGI invests with a long-term outlook. Therefore, frequent trading would not be typical in our portfolios. Frequent trading can negatively affect account performance because of an increase in the client's brokerage and transaction costs. Examples of methodologies include:

**Asset Allocation** – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Dollar-Cost Averaging** – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average purchased share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks. While PGI is not a market timer or “technical” trader of securities, it is one component considered when implementing allocations and rebalances for client accounts.

**Fundamental Analysis** – Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

**Long-Term Purchases** – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

All investments have certain risks that are borne by the investor. Our investment approach attempts to mitigate investment risk through diversification among multiple security issuers, sectors, asset classes, investment types, markets, and by using the above outlined strategies. Nevertheless, investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying fundamental circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities that mature at a future time, such as CD's and bonds.
- **ETF and Mutual Fund Risk:** When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage transaction costs when purchasing or selling ETF's and/or mutual funds.
- **Unique Risks Investing in ETFs:** An ETF is a security that trades on an exchange during market hours and typically seeks to track and index, commodity, or a basket of assets like an index fund. However, some ETFs are actively management and do not seek to track a certain index or basket of assets. ETFs may trade at a premium or discount to their Net Asset Value ("NAV") and may also be affected by market fluctuations of their underlying investment holdings. An ETF purchased with a premium may not yield a premium or may be priced at a discount upon sale. They may also have unique risks depending on their structure and underlying investments.
- **Equity (stock) Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you hold common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you hold preferred stocks and debt obligations of the issuer.
- **Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, oil-drilling companies depend on finding oil and then



refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Management Risk:** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment could decrease.

Our strategies and investments may have tax implications. Regardless of your account size or other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Investing in securities involves risk of loss that clients should be prepared to bear. Although we manage your portfolio with strategies and in a manner consistent with your risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include the risks stated above. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as the client should be able to bear all risks.

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### ***Disciplinary Information***

PGI Wealth Management or its Principal Executive Officers have not had any reportable disclosable events in the past ten years.

### ***Other Financial Industry Activities and Affiliations***

Associates of PGI are not registered with any broker dealer.

Neither PGI nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor. Neither PGI nor any of its management persons have any relationship or arrangements with any of the following: a broker-dealer, municipal securities dealer, or government securities dealer or broker; an investment company or other pooled investment vehicle (e.g. mutual fund, private fund, etc.); another investment adviser or financial planner; a futures commission merchant, commodity pool operator, or commodity trading advisor; a banking or thrift institution; a lawyer or law firm; a pension consultant; a real estate broker or dealer; or a sponsor or syndicator of limited partnerships. PGI does have an IAR with an outside business activity of being an Enrolled Agent. If an Enrolled Agent client requests investment advisory services, the IAR will refer the client to PGI.

Representatives of PGI may also be licensed insurance agents. From time to time, they may offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as the sale of commissionable products conflicts with the fiduciary duties of a registered investment adviser. PGI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients always have the right to decide whether to implement any insurance recommendations made by the firm. If the client does decide to implement those recommendations, they always have the right to do so through the insurance agent of their choice.

### ***Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

PGI's Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect client interests at all times and to demonstrate our commitment to fiduciary duties of honesty, good faith, and fair dealing. All of PGI's Associated Persons are expected to strictly adhere to these guidelines. Persons associated with PGI Wealth Management are also required to report any violations to the Code of Ethics. Additionally, the firm maintains and enforces written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about our clients or client accounts by persons associated with our firm.

PGI and its employees may buy or sell securities that are also held by or recommended to clients. It is the expressed policy of the advisor that no person employed by our firm purchase or sell any security prior to the transaction being implemented for an advisory account; therefore, preventing such employees from benefiting from transactions placed on behalf of the advisory clients.

The advisor may have an interest or position in a certain security, which may also be recommended to the client. As these situations may present a conflict of interest, the advisor has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer or employee of the advisor shall not buy or sell a security for their personal portfolio(s) where their decision is substantially derived, in whole or part, by reason of his or her employment, unless the information is also available to the investing public. No owner/employee of PGI shall prefer their own interest to that of the client.
2. The advisor maintains a list of all securities held by the company and all directors, officers, and employees. These holdings are reviewed on a quarterly basis by the principal of the firm.
3. The advisor requires that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisors.
4. If the advisor makes personal trades, they will be blocked with those of clients and they will all receive average price, to ensure that clients are not at a disadvantage.

PGI's Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting PGI at (888) 493-9022.

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### ***Brokerage Practices***

In order for PGI to provide asset management services, we request you utilize the brokerage and custodial services of Charles Schwab & Co., Inc. Member FINRA/SIPC ("Schwab"), a registered broker-dealer and member of the SIPC, for which we have an existing relationship. PGI and Schwab are not affiliated companies. In considering which independent qualified custodian will be the best fit for PGI's business model, we are evaluating the following factors, which is not an all-inclusive list:

- Financial strength
- Reputation
- Reporting capabilities
- Execution capabilities
- Pricing, and
- Types and quality of research

While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. While we recommend that you use Schwab as the custodian/broker, you will decide whether to do so and will open your account with the custodian by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. Such relationships may include benefits provided to our firm, including, but not limited to research, market information, and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the recommended

broker-dealers, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm.

PGI recommends the Custodian to clients for custody and brokerage services. While there is no direct link between PGI's recommendation of Custodian and the investment advice it gives to its clients, through its participation in the Program PGI receives economic benefits that are typically not available to the Custodian's retail investors. These benefits generally include, without limitation, the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to trading desks; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds and exchange traded funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to PGI by third party vendors. The Custodian may also pay for business consulting and professional services received by PGI's related persons. PGI benefits by not having to produce or pay for the research, products or services, and PGI will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that PGI's acceptance of these benefits may result in higher commissions charged to the client. These services are not formal soft dollar arrangements but are part of the institutional platform offered by the Custodians.

PGI does not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

When PGI buys or sells the same security for two or more clients (including our personal accounts), we may place concurrent orders to be executed together as a single "block" in order to facilitate orderly and efficient execution. Each client account will be charged or credited with the average price per unit. We receive no additional compensation or remuneration of any kind because we aggregate client transactions. No client is favored over any other client. If an order is not completely filled, it is allocated pro-rata based on an allocation statement prepared by PGI prior to placing the order. Because of an order's aggregation, some clients may pay higher transaction costs, or greater spreads, or receive less favorable net prices on transactions than would otherwise be the case if the order had not been aggregated.

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### ***Review of Accounts***

Client accounts are reviewed at least quarterly by the Chief Investment Officer, IAR, and/or a designated Principal Executive Officer of the firm. The accounts are reviewed with regard to their investment policies and risk tolerance levels. Asset management clients are encouraged to meet with PGI at least once per year to review their account as a whole, ensuring that the management aligns with their current financial condition, goals and objectives.

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Each client will receive at least quarterly a written report that details the clients' account which may come from the custodian. These are available for clients to access at any time through the custodial client portal.

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### ***Client Referrals and Other Compensation***

PGI does not compensate any individual or firm for client referrals.

PGI does not receive any other compensation from any individual or entity for the referral of clients to other professional service providers.

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### ***Custody***

As paying agents for our firm, our clients' independent custodians directly debit client account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from client accounts causes our firm to exercise limited custody over client funds or securities. We do not have physical custody of any client funds and/or securities. Client funds and securities are held with a broker-dealer or other qualified custodian. Clients receive account statements from the custodian holding their funds and securities at least quarterly. The account statements from the custodians indicate the amount of our advisory fees deducted from client accounts each billing period. These statements can be reviewed for accuracy. PGI is not affiliated with the custodians, and the custodians do not supervise the advisor, its agents or activities. Clients are urged to compare the account statements received from the custodian with any reports received from PGI and notify the firm promptly of any discrepancies.

**Standing Letters of Authorization** Some clients may execute limited powers of attorney or other standing letters of authorization that permit the firm to transfer money from their account with the client's independent qualified Custodian to third-parties. This authorization to direct the Custodian may be deemed to cause our firm to exercise limited custody over your funds or securities and for regulatory reporting purposes, we are required to keep track of the number of clients and accounts for which we may have this ability. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate any transfers that may have taken place within your account(s) each billing period. You should carefully review account statements for accuracy.

### ***Investment Discretion***

Before PGI can buy or sell securities on your behalf, you must first sign our management agreement, a limited power of attorney, and/or trading authorization forms. We offer both discretionary and non-discretionary portfolio management services and the advisory agreement will indicate whether the firm does or does not have discretion. If the client grants the firm discretionary authority, you grant the firm discretion over the selection and amount of securities to be purchased or sold for the account(s) without obtaining your consent or approval prior to each transaction.

Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to the “Advisory Business” section of this Brochure for more information on our discretionary management services.

### ***Voting Client Securities***

We do not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies. The firm is available to answer any questions regarding the proxy voting. Please contact the firm with those questions.

### ***Financial Information***

PGI does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients. In addition, PGI is not required to provide financial information to our clients because we do not require or solicit the prepayment of more than \$1,200 six or more months in advance. PGI has never been the subject of a bankruptcy petition.

### ***Requirements for State-Registered Advisers***

This section is not applicable as PGI is SEC registered and not state registered.