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September 17, 2020

## Part 2A

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This brochure ("Brochure") provides information about the qualifications and business practices of Pension & Wealth Management Advisors, Inc. ("PWMA"). You should review this Brochure in conjunction with our separate brochure supplement ("Supplement"). The Supplement(s) has been prepared for the purpose of providing information about the qualifications and background of the supervised person(s) working with you on our behalf or who may otherwise participate in the advisory services provided to you.

If you have any questions about the contents of this Brochure or our Supplement(s), please contact us at 781-398-0077 or [george@pensionwealth.com](mailto:george@pensionwealth.com). Additional information about PWMA or any of our supervised persons (who are registered under our firm) is also available on the United States Securities and Exchange Commission ("SEC") Investment Adviser Public Disclosure ("IAPD") portal, which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration does not imply a certain level of skill or training.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

## **2. Material Changes**

This brochure has been amended to include the option for clients to use an automated investment advisory service. Please see Section 4, under “Our Services,” for further discussion of such services.

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## 4. Advisory Business

### Firm Profile

The professionals of PWMA portfolio management and occasional financial planning services.

### Years in Business

Date of formation: June 18, 2019

Date of initial investment adviser registration: \_\_\_\_\_ July 6, 2020\_\_

### Direct Principal Owners

PWMA is owned by Mr. George Webb. Presently there are no other owners.

### Our Services:

#### Portfolio Management

We offer ongoing portfolio management on a discretionary and non-discretionary basis to various types of clients, including individuals, high net worth individuals, and institutions. PWMA's comprehensive portfolio management services encompass asset management as well as providing financial planning/consulting to clients. PWMA may offer advice on a variety of investments, including stocks, bonds, exchange traded funds ("ETFs"), options, domestic pooled investment vehicles (*i.e.*, mutual funds or closed end funds) and alternative investments, such as hedge funds, private placements, investments in real estate, venture and post venture capital companies. An advisory account may not constitute a fully diversified or balanced portfolio that is suitable for all of a client's assets. The client's individual investment strategy is tailored to the client's specific needs and may include some or all of the previously mentioned securities and financial instruments.

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in client's portfolio. However, restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Client accounts are reviewed at least quarterly PWMA may review accounts more frequently and periodically rebalance or adjust client accounts for clients where the Firm has discretion The Firm maintains a close working relationship with its clients in order to respond effectively to major market or economic events, or to changes in a client's investment risk tolerance and life circumstances. For additional information on review of accounts, please see Item 13.

Other than described below under Automated Investment Advisory Services, all investment management activities and recommendations are provided directly by PWMA without the use of third-party asset managers.

### **Automated Investment Advisory Services**

PWMA offers its clients access to certain automated investment advisory services through the Fidelity Automated Managed Program (“AMP”). AMP is a managed account platform made available to clients of Fidelity Brokerage Services, our custodian, through its independently operated affiliate, eMoney Advisor, LLC (“eMoney”). Our clients who select this service gain access to a digital advice offering with investment subadvisory services provided by Geode Capital Management, LLC (“Geode”) or other eligible third-party money managers we may engage to provide investment sub-advisory services through the AMP. We are not affiliated with Fidelity Brokerage Services, eMoney, or Geode.

AMP provides us with the ability to formulate, configure and deliver a digital advice offering, which includes, without limitation, (i) determining what information we will collect to develop customer profiles in relation to the investment education, recommendations and advice we makes available to our clients through AMP; (ii) evaluating whether the information we collect to develop the customer profiles is reasonably sufficient to conclude that any initial recommendations and ongoing investment advice provided by us through AMP are suitable and appropriate for each of our clients; and (iii) constructing, managing and selecting investment models based on the information we collect about our clients, or engaging sub-advisers for that purpose.

There are two options available to clients through the AMP Service: (i) the base-line service under which investment models are created, managed and maintained by Geode (“AMP-Standard”); or (ii) the AMP with customized investment models service, a customizable digital advice offering whereby we create, manage and maintain our own investment models and Geode implements such models (“AMP-Custom”). AMP provides us with the ability to formulate, configure and deliver a digital advice offering to our clients. From the two distinct digital advice options available through AMP (AMP-Standard or AMP-Custom), we select the particular digital advice offering that we deem appropriate to meet your needs and ours.

Use of the AMP Services includes various risks, including but not limited to the following:

- **Models Risk.** To the extent that modules used in the AMP are similar to models from other investment managers, the risk that a market disruption that negatively affects those models will adversely affect Client accounts is increased, and a disruption may accelerate reductions in liquidity or repricing due to simultaneous trading across a number of accounts in the marketplace. Furthermore, the effectiveness of certain models or investment strategies may deteriorate over time as more traders and investment managers seek to exploit the same market inefficiencies through the use of similar models or investment strategies.
- **Custom Models.** There are risks associated with AMP-Custom models associated with the ability to purchase and maintain the underlying funds for a custom model, which may be impacted by factors such as liquidity constraints, minimum investment requirements, trading restrictions, and the availability of such funds, amongst other potential risks.
- **Algorithms.** AMP utilizes algorithms as part of its investment management process in managing Client accounts. The algorithms assume that portfolio holdings quantity and price data is accurate and complete. There is a risk that the algorithms and data input into the algorithms could have errors, omissions, imperfections and malfunctions. Any decisions made in reliance upon incorrect data expose clients to potential risks. Algorithm issues are often extremely difficult to detect. Some Algorithm issues may go undetected for long periods of time and some may never be detected. It is also possible that the algorithms do not accurately and efficiently forecast security and portfolio risk. These risks are mitigated by model and data validation, human oversight and monitoring of the algorithms and their output.
- **Cybersecurity Risk.** AMP is susceptible to increased information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and may arise from external or internal sources. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment or systems; or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

The details of AMP, including the services available to you thereunder, may change from time to time based on determinations of Fidelity Brokerage Services, eMoney, or Geode. For additional information, please refer to [Geode's](#)

[Form ADV Part 2A brochure.](#)

### **Financial Planning**

We may occasionally prepare a written financial plan for our clients when deemed appropriate. Our financial planning services may involve consultation, analysis, and recommendations in the six areas of financial planning, which include (1) financial situation; (2) income taxes; (3) insurance; (4) investments; (5) retirement planning; and (6) estate planning.

In order to determine a suitable course of action for an individual client, we will perform a review of the variables that are presented. This review may include, but would not necessarily be limited to, investment objectives, consideration of your overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to your particular circumstances.

We will review your present financial situation and issue a written analysis and report of recommendations in accordance with your goals and objectives. This service may include an initial consultation and subsequent follow-up visits. The services provided in this regard may include but would not be limited to the following:

- Prepare a personal or family balance sheet;
- Prepare a personal or family income statement;
- Create a cash flow analysis;
- Prepare financial ratio analysis;
- Review current investments and make recommendations thereon;
- Review client's most recent tax returns and provide tax planning advice;
- Review client's life insurance coverages and create a risk analysis;
- Review client's estate plan and make recommendations thereon;
- Complete a retirement analysis; and
- Provide education planning advice.

We will assist in the coordinating and the implementation of the plan. You assume full responsibility for the implementation of the plan.

### **Customization of Advisory Services**

To the fullest extent possible, we will endeavor to tailor our advisory services to meet the specific needs of each client. In order to determine a suitable course of action for an individual client, we will perform a review of our clients' financial circumstances. Such review may include, but would not necessarily be limited to, investment objectives, consideration of a client's overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to a client's particular circumstances.

In making investment recommendations on behalf of a client, we will rely on a risk tolerance assessment, fact finder, and time horizon assessment, which would be based on information provided by a client.

Our clients are free to impose any restrictions or other conditions with regard to how we provide our advisory services. If we agree to such restrictions and/or conditions, please be advised that restrictions and guidelines imposed by a client may affect the composition and performance of custom portfolios (as a result, performance of custom portfolios within the same investment objective may differ and a client should not expect that the performance of a custom portfolio will be identical to any other individual's portfolio performance) as well as any recommendations provided to the client.

### **Wrap Fee Program Participation**

None of our investment advisory services involve the use of wrap programs.

## Assets Under Management (“AUM”)

|                          |                              |
|--------------------------|------------------------------|
| AUM (discretionary):     | \$0                          |
| AUM (non-discretionary): | \$0                          |
| Total AUM:               | \$0                          |
| Date of AUM calculation: | As of date of ADV submission |

## 5. Fees and Compensation

### Portfolio Management

Portfolio management fees are charged according to the following tiered fee schedule:

| Account(s)/Portfolio Value | Fee as an Annual Percentage of Account/Portfolio Value |
|----------------------------|--|
| Up to \$500,000            | 1.00%  |
| \$500,001 - \$1,000,000    | 0.90%  |
| \$1,000,001 - \$2,000,000  | 0.85%  |
| \$2,000,001 - \$5,000,000  | 0.80%  |
| Over \$5,000,000           | 0.70%  |

The fee charged to each client will be defined in the agreement between PWMA and the client. Fees cannot exceed 1.00%

The fees will be payable quarterly in advance. The amount of the fee will be based on the market value of the assets on the last day of the previous month. The method of charging the fee will be explained in the agreement between PWMA and the client.

### Automated Investment Advisory Service

Clients who participate in this service will pay a flat fee of 0.50% annually. This fee will be payable quarterly based on the market value of the assets on the last day of the previous quarter.

The fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. We design our portfolios as long-term investments, and asset withdrawals can impair the achievement of your investment objectives.

New accounts opened during a calendar quarter are assessed a fee that is prorated based on the day the account was funded and billed at the end of the quarter. In some cases, prorated fees charged to accounts are waived at the discretion of the Firm.

Upon termination of any account, any prepaid, unearned fees will be refunded promptly.

### Automated Investment Advisory Services

We will charge an annual 50-basis point fee with an annual minimum fee of \$50. We will collect this fee monthly in advance based on the account value as of the last day of the previous month.

### Fee collection

Contemporaneously with the execution of the Client Agreement, you will be asked to sign an authorization that will allow the custodian of any of your account(s) to debit the account(s) the amount of our service fees and remit the fee to us. The authorization will remain valid unless and until we receive a written revocation of such authorization from you. In connection with this fee deduction process, the custodian will send you a statement, at least quarterly, indicating:

- all amounts disbursed from the account, and
- the amount of advisory fees paid directly to us.

Specific fee arrangements will be set forth in your Agreement with us.

In certain cases, we may provide a client the option to be billed directly.

### **Financial planning**

If we provide financial planning services to you, the fee for financial planning is included in your portfolio management fee.

### **Other fees incurred**

In addition to our portfolio management fees, you may be assessed other fees by parties independent from us. You may also incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level (i.e. advisory fees, administrative fees, 12b-1 fees and other fund expenses). Brokerage fees/commissions charged to you for securities trade executions may be billed to you by the broker-dealer or custodian of record for your account, not us. Any such fees are exclusive of, and in addition to our fees. You will be solely and directly responsible for all fees, including fees other than our portfolio management fee.

### **Additional Compensation**

We are required to address situations in which we, or any of our supervised persons, accepts compensation for the sale of securities or other investment products. These include asset-based sales charges or service fees from the sale of mutual funds. Certain of our investment advisor representatives are licensed to sell insurance products.

### **Client-Directed Brokerage**

You have the ability to purchase investment products that we recommend through any broker-dealer or other financial institution you choose. If you choose to use a firm other than the broker-dealer(s) we may normally recommend, we may not be able to properly monitor your assets and therefore we cannot be held responsible for the success or failure of any investment products or strategies that you implement at those firms. In other words, our services and responsibilities will not apply to transactions you effect on your own, whether through firms you choose on your own or through any broker-dealer we may recommend.

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

We do not charge performance-based fees and we will not engage in any side-by-side management.

## **7. Types of Clients**

We will generally provide our services to the following types of clients.

- Individuals
- High Net Worth Individuals
- Institutions

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



## **Methods of Analysis**

In the course of our management process and as appropriate on a case by case basis, we will employ some or all of the following methods of analysis. For a description of the risks related to each particular method of analysis, see the information following each analysis method description. A description of each key risk appears later in this section.

PWMA works diligently with our clients to determine their tolerance for risk, time horizon, and liquidity needs prior to investing on their behalves. Once these have been accurately identified, PWMA will create an investment portfolio that is reflective of the information gathered. Investment vehicles will be selected using a variety of analysis techniques. PWMA understands that different analysis techniques may work more effectively at different points in time. Therefore, PWMA does not limit itself to any single type of investment analysis. Analysis techniques may be, but are not limited to, fundamental, technical, top down and bottom up analysis.

### **Fundamental**

Fundamental analysis involves the attempt to identify the intrinsic value (i.e. the actual, true/real value) of an investment instrument by examining any related economic, financial, and other quantitative/qualitative factors relevant to that instrument. Fundamental analysis can take into account anything that may impact the underlying value of the instrument. Examples of such things may include large-scale economic issues such as the current cycle of the economy, industry-specific conditions, etc. Other company/issuer-specific factors may also be taken into consideration such as the company's/issuer's current financial condition, management experience and capabilities, legal/regulatory matters, the overall type and volume of current and expected business, etc.

One of the goals of fundamental analysis is to attempt to derive a value that can be compared to the current market price for a particular financial instrument in hopes of determining whether the instrument is overpriced (time to sell) or underpriced (time to buy).

Key risk(s): Economic Risk, Financial Risk, Inflation Risk, and Interest Rate Risk.

Investing in securities or other investment products involves the risk of loss and you should be prepared to bear such losses.

In the course of our management process and as appropriate on a case by case basis, we will employ any of the following investment strategies. For a description of the risks related to each particular investment strategy, see the information following each strategy description. The codes used below relate to risks described further below in this section.

### **Technical**

Technical analysis is the process of charting and plotting a stock's trading volume and price movements to help predict a security's future price. Through this analysis, we focus on patterns of price movements, trading signals and various other analytical charting tools to determine a security's strength or weakness. Additional factors utilized in technical analysis may be moving averages, round-number levels, specific historical price points, and areas of heavy option interest. Technical analysis can be used on any security with historical trading data. This includes stocks, futures, commodities, fixed-income, currencies, and other securities. Technical analysis serves as an additional tool in deciding whether an investment should be bought, sold, or avoided altogether.

### **Top Down**

The macroeconomic approach is a hallmark of top-down investment analysis. It emphasizes economic, market, and industry trends before making a more granular investment decision to allocate capital to specific companies. An example of a top-down approach is an investor evaluating different company sectors and finding that financials will likely perform better than industrials. As a result, the investor decides the investment portfolio will be overweight financials and underweight industrials. They then proceed to find the best stocks in the financial sector. On the contrary, a bottom-up investor may have found that an industrial company made for a compelling investment and allocated a significant amount of capital to it even though the outlook for its broader industry was negative.

## **Bottom Up**

When making investment decisions, investors can use a bottom-up investment analysis approach or top-down approach. Bottom-up investment analysis entails analyzing individual stocks for their merits, such as valuation, management competence, pricing power, and other unique characteristics of the stock and underlying company. Bottom-up investment analysis does not focus on economic cycles or market cycles firsthand for capital allocation decisions. Instead, it aims to find the best companies and stocks regardless of the overarching economic, market, or particular industry macro trends. In essence, bottom-up investing takes more of a microeconomic—small scale economic—approach to investing rather than a large scale, national economy or global—macroeconomic—approach.

### **Long-Term Purchases**

Long-term purchases generally involve the acquisition of an investment instrument and holding it for a period of at least one year.

Key risk(s): Capital Risk, Economic Risk, Financial Risk, Inflation Risk, Interest Rate Risk, Legal/Regulatory Risk, Liquidity Risk, Market Risk, Operational Risk, Strategy Risk.

### **Short-Term Purchases**

Short-term purchases generally involve the acquisition of an investment instrument and holding it for a period of not more than one year.

Key risk(s): Capital Risk, Economic Risk, Financial Risk, Higher Trading Costs, Interest Rate Risk, Legal/Regulatory Risk, Liquidity Risk, Market Risk, Operational Risk, Strategy Risk.

### **Option Writing** (including covered/uncovered options or spreading strategies)

We will also employ the use of options trading in the event that such trading complements an investment strategy we may be carrying out for a particular client. An option is the right either to buy or sell a specified amount or value of a particular underlying investment instrument at a fixed price (i.e. the “exercise price”) by exercising the option before its specified expiration date. Options giving you the right to buy are called “call” options. Options giving you the right to sell are called “put” options. When trading options on behalf of a client, we may use covered or uncovered options or various strategies such as spreads and straddles. Covered options involve options trading when you own the underlying instrument on which the option is based. Uncovered options involve options trading when you do not own the underlying instrument on which the option is based. Spread options are options whose values are derived from the difference in price of two different underlying assets or components.

Key risk(s): Capital Risk, Economic Risk, Financial Risk, Higher Trading Costs, Interest Rate Risk, Legal/Regulatory Risk, Liquidity Risk, Market Risk, Operational Risk, Strategy Risk.

Investing in securities or other investment products involves the risk of loss and you should be prepared to bear such losses.

## **Risk Disclosures**

### **Capital Risk**

Capital risk is one of the most basic, fundamental risks of investing; it is the risk that you may lose 100 percent of your money. All investments carry some form of risk and the loss of capital is generally a risk for any investment instrument.

### **Credit Risk**

Credit risk can be a factor in situations where an investment’s performance relies on a borrower’s repayment of borrowed funds. With credit risk, an investor can experience a loss or unfavorable performance if a borrower does not repay the borrowed funds as expected or required. Investment holdings that involve forms of indebtedness (i.e.

borrowed funds) are subject to credit risk.

**Currency Risk**

Fluctuations in the value of the currency in which your investment is denominated may affect the value of your investment and thus, your investment may be worth more or less in the future. All currency is subject to swings in valuation and thus, regardless of the currency denomination of any particular investment you own, currency risk is a realistic risk measure. That said, currency risk is generally a much larger factor for investment instruments denominated in currencies other than the most widely used currencies (U.S. dollar, British pound, German mark, Euro, Japanese yen, French franc, etc.).

**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.

**Higher Trading Costs**

For any investment instrument or strategy that involves active or frequent trading, you may experience larger than usual transaction-related costs. Higher transaction-related costs can negatively affect overall investment performance.

**Inflation Risk**

Inflation risk involves the concern that in the future, your investment or proceeds from your investment will not be worth what they are today. Throughout time, the prices of resources and end-user products generally increase and thus, the same general goods and products today will likely be more expensive in the future. The longer an investment is held, the greater the chance that the proceeds from that investment will be worth less in the future than what they are today. Said another way, a dollar tomorrow will likely get you less than what it can today.

**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.

**Legal/Regulatory Risk**

Certain investments or the issuers of investments may be affected by changes in state or federal laws or in the prevailing regulatory framework under which the investment instrument or its issuer is regulated. Changes in the regulatory environment or tax laws can affect the performance of certain investments or issuers of those investments and thus, can have a negative impact on the overall performance of such investments.

**Liquidity Risk**

Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, you may experience the risk that your investment or assets within your investment may not be able to be liquidated quickly, thus, extending the period of time by which you may receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e. not being able to quickly get out of an investment before

the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns.

**Market Risk**

The market value of an investment will fluctuate as a result of the occurrence of the natural economic forces of supply and demand on that investment, its particular industry or sector, or the market as a whole. Market risk may affect a single issuer, industry or sector of the economy or may affect the market as a whole. Market risk can affect any investment instrument or the underlying assets or other instruments held by or traded within that investment instrument.

**Operational Risk**

Operational risk can be experienced when an issuer of an investment product is unable to carry out the business it has planned to execute. Operational risk can be experienced as a result of human failure, operational inefficiencies, system failures, or the failure of other processes critical to the business operations of the issuer or counter party to the investment. This risk could arise through our own systems and processes or through those of our third party service providers, such as our custodian or those performing services described above under Automated Investment Advisory Services.

**Past Performance**

Charting and technical analysis are often used interchangeably. Technical analysis generally attempts to forecast an investment's future potential by analyzing its past performance and other related statistics. In particular, technical analysis often times involves an evaluation of historical pricing and volume of a particular security for the purpose of forecasting where future price and volume figures may go. As with any investment analysis method, technical analysis runs the risk of not knowing the future and thus, investors should realize that even the most diligent and thorough technical analysis cannot predict or guarantee the future performance of any particular investment instrument or issuer thereof.

**Strategy Risk**

There is no guarantee that the investment strategies discussed herein will work under all market conditions and each investor should evaluate his/her ability to maintain any investment he/she is considering in light of his/her own investment time horizon. Investments are subject to risk, including possible loss of principal.

**Investment-Specific Risks**

There is no single type of investment instrument that we predominantly recommend, however, please be mindful that all investments carry some form and degree of risk. Certain types of investments carry greater types and levels of risk than others and you should make sure that you fully understand not only the investment product itself but also the attendant risk factors associated with such products.

## **9. Disciplinary Information**

PWMA has no legal or disciplinary events required to be disclosed pursuant to this Item 9.

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

The following information will address any active or pending financial industry affiliations that you need to know about for the purpose of identifying any related conflicts of interest that you might consider material in regard to letting us handle your investment advisory needs.

**Broker-Dealers**

Neither PWMA nor any of its management persons is registered as a broker-dealer or registered representative of a broker-dealer nor do they have an application pending or otherwise in process for the purpose of seeking registration as a broker-dealer.

**Futures Commission Merchants, Introducing Brokers, Commodity Trading Advisors, Commodity Pool Operators**

Neither PWMA nor any of its management persons is registered as a futures commission merchant, an introducing broker, a commodity trading adviser, or a commodity pool operator, nor do either party have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or currently seeking registration as associated persons of any of these types of firms.

**Related Persons**

Certain of our investment advisor representatives are licensed independent insurance agent(s) and receive commission for the sale of insurance products. Since our insurance licensed representatives receive commission for the sale of insurance products, this is a conflict of interest.

*How we address these conflicts.* First and foremost, we address the conflicts described above by disclosing them to you in this Brochure as well as your representative's Brochure Supplement. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as the receipt of commissions for the sale of insurance products. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being carried out adequately and in a timely manner.

The potential conflict of interest resulting from the receipt of commission for the sale of insurance products described above is commonplace in the investment industry and we believe that such arrangements are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the regulation of the insurance industry. Our supervised persons have satisfied various regulatory examination and registration requirements that allow for the offering of insurance products and services.

Bear in mind that even if our supervised persons were not licensed to sell insurance products the majority of your transactions involving such products would still result in you paying some sort of commission for those products.

Any Additional Compensation received by our supervised persons in connection with the products/services described in the preceding section is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

*Procedures for disclosing these conflicts.* In an effort to inform you of these conflicts of interest, we have prepared this Brochure and have provided it to you, in part, for the purpose of disclosing these conflicts. You are always welcome to request a current copy of our Brochure. We are obligated to provide you a copy of this Brochure no later than the time you sign our Agreement and on an annual basis, we are required to provide you either (1) a copy of our current Brochure or (2) a set of instructions as to how you can request a copy of our current Brochure.

**Use of Other Investment Advisers**

We do not use or otherwise recommend the use of other investment advisers in connection with our investment advisory services in connection with our full-service portfolio management. In regards to our automated investment advisory services, we use Geode. For additional information, please consult the Part 2A brochure of [Geode](#)

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

### **Code of Ethics**

We take great pride in our commitment to serving our clients' needs and the integrity with which we conduct our business. We have developed a Code of Ethics ("Code") as a means of memorializing our vision of appropriate and professional conduct in carrying out the business of providing investment advisory services. Our Code addresses issues such as the following:

- Standards of conduct and compliance with applicable laws, rules, and regulations
- Protection of material non-public information
- The addressing of conflicts of interest
- Employee disclosure and reporting of personal securities holdings and transactions
- The firm's IPO and private placement policy
- The reporting of violations of the Code
- Educating employees about the Code
- Enforcement of the Code

Each of our representatives has been furnished with a copy of our Code and has signed their names to a written acknowledgement attesting to their understanding of the Code and acceptance of its terms. A copy of our Code is available to all current and/or prospective clients upon request.

### **Participation in Client Trading**

We do not play any role in client trading.

### **Interests in Securities Purchased by Clients**

We do not recommend to clients, or buy or sell for client accounts, securities in which we or our employees and affiliates have a material financial interest.

### **Trading Alongside Our Clients**

On occasion, we may invest for our own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for the accounts of our clients. Further, we may also engage in transactions that are the same as or different than transactions recommended to or made for our client's accounts. Such transactions are permitted if effected, pre-cleared and reported in compliance with our policy on personal securities transactions. Generally, personal securities transactions will not be pre-cleared when an order for the same or a related security is pending for the account of a client. Our Designated Supervisor reviews reports of personal transactions in securities by all of our associated persons quarterly or more frequently if required.

### Investment Policy

None of our associated persons may effect for himself/herself or for accounts in which he/she holds a beneficial interest, any transactions in a security which is being actively recommended to any of our clients, unless in accordance with the following procedures.

### Firm Procedures

In order to implement our Investment Policy, the following procedures have been put into place.

- 1) If we are recommending that any of our clients buy any security, no associated person may purchase that security prior to a client's purchase of that security; and
- 2) If we are recommending that any of our clients sell any security, no associated person may sell that security prior to a client's sale of that security.

As an alternative to the procedures described in the preceding points, we may include our own order(s) in a batch order with other client orders that would involve average pricing for the entire batch such that we would receive the same pricing as all other clients participating in the batch.

It is the primary intent of these procedures to ensure that the best interests of our clients are always served over that of our own. Trading on our own behalf that results in our own interests being served over that of our clients could be considered a breach of our fiduciary duty and thus, is aggressively discouraged.

## 12. Brokerage Practices

The purpose of this Item is to present to you the factors that we take into consideration when (1) selecting or recommending broker-dealers to you for the purpose of effecting transactions on your behalf and (2) for determining the reasonableness of such broker-dealers' compensation related to such transactions.

Unless the client directs otherwise, PWMA shall generally recommend that all client accounts be maintained at, by, or through certain other firms that are unaffiliated with PWMA. Such firms shall generally be broker-dealers that may also maintain registrations that allow such firms to engage in other types of businesses outside of their broker-dealer activities.

Any such other firm may act in the capacity of "broker of record" for the client's accounts, in which case, another firm may serve as the custodian for the Client account(s). Alternatively, any such other firm may serve as both the "broker of record" and "custodian" for the client's accounts. In no case shall PWMA act or attempt to act in the capacity of "broker of record" or "custodian" of the client's account, funds, or other assets.

Although not an all-inclusive listing, PWMA may recommend the following brokers of record and their corresponding custodian:

| Broker of Record             | Custodian |
|------------------------------|-----------|
| Fidelity Brokerage Services. |           |

Factors that PWMA considers in recommending certain broker-dealers or custodians to clients may include such entity's financial strength, reputation, execution, pricing, and service. In return for effecting securities transactions through certain broker-dealers/custodians, PWMA or certain of its representatives may receive certain support services that may assist PWMA in its investment decision-making process for all of PWMA's clients.

In seeking best execution, the determinative factor is not always the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a brokerage services, including factors such as execution capability, commission rates, and responsiveness. Accordingly, although PWMA will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for the client's account transactions.

### Research and Soft Dollar Benefits

Soft dollar benefits are items such as research or other products or services (other than the typical execution and other brokerage services available to all other investment advisers) that we may receive from a broker-dealer or other party in connection with the client securities transactions we direct to that/a broker-dealer(s). PWMA does not participate in any soft dollar arrangements.

### Brokerage for Client Referrals

In certain circumstances, firms like ours may receive client referrals as a result of recommending particular broker-dealers or other service providers. We, however, do not participate in any formal arrangements wherein we receive client referrals from any particular broker-dealer in return for selecting or recommending such broker-dealer.

### **Directed Brokerage**

When so instructed by a client, the Firm will direct all transactions for the client's account to a particular broker-dealer designated by the client. In these cases, the Firm may not be able to seek to obtain better prices on transactions for the client by placing trades with another brokerage firm, and the client may receive less favorable prices or pay higher commissions, mark-ups or spreads than might be the case if the Firm were able to negotiate for more favorable terms with other broker-dealer firms.

### **Order Batching**

Transactions for the client's account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at the same or approximately the same time. We may (but are not obligated to) combine or "batch" such orders in order to obtain best execution or to negotiate more favorable transaction rates. Reasoning for attempting to effect a batch order is that we may need to trade in the same security for multiple accounts at or around the same time and batching may allow us to achieve a more favorable price on average for all clients. Batching, however, doesn't guarantee the lowest possible price for execution, however, it is intended to reduce the overall volatility in execution price for a large # of orders that if not batched together, may experience significantly different execution prices. Conversely, in the event that we do not batch a group of orders that otherwise may be a prime candidate for a batched order, the resulting cost for some clients may be higher or lower than what we might be able to achieve by processing a batched order for the benefit of those same clients. To the extent that we elect to aggregate client orders for the purchase or sale of securities, including securities in which our associated persons may invest, we will generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* We will not receive any additional compensation or remuneration as a result of a batched order.

## **13. Review of Accounts**

### **Review of Accounts or Financial Plans**

#### **Review of client accounts.**

We will review your accounts at least quarterly. The Chief Compliance Officer ("CCO") will review your accounts for best execution, suitability, and service. The CCO will review the performance and cost basis for your transactions. Your investment objectives are used to review for suitability. Quarterly, transactions are reviewed referencing your investment objectives for any transaction that may not fit your stated objectives, or our understanding of your investment objectives will be flagged and reviewed with the investment adviser representative placing the trade.

Name and title of Designated Supervisor: George Webb, CCO.

Mr. Webb will employ the procedures noted above for the client's accounts subject to PWMA's investment advisory services.

#### **Non-Periodic Account Reviews**

Events that may trigger further client account reviews in addition to the standard quarterly review process may include, but would not be limited to, a notable increase in the volume of requests by the client to effect transactions in his/her accounts, where such transactions may appear to be inconsistent with the client's previously stated investment objectives. Other factors may include requests by the client to liquidate certain securities positions/contracts where such transactions may appear to be inconsistent with the client's previously stated investment objectives. Additional triggering factors could be the performance on an individual account being an outlier to the performance of accounts with similar investment objectives, and a very important trigger would be customer complaints. This last trigger would be a prime example of a trigger for an intermittent review of a client account.

### **Reports to Clients**



Account statements will be provided no less frequently than quarterly by the custodian, not by us. Account statements will identify account positions, balances, and transaction details. Upon your request, a quarterly account appraisal (written or electronic) may be created for you as well as an annual year-end statement. In the event we also send account statements to you in addition to those provided by the qualified custodian, you are urged to compare any account statements provided by us to those provided by the custodian.

## 14. Client Referrals and Other Compensation

### Compensation we Receive

#### Insurance

Certain of PWMA's representatives are licensed to sell insurance products and receive compensation for the sale of insurance products. This compensation may provide incentive to recommend these insurance products.

Even if our supervised persons were not registered/licensed to sell the types of products/services addressed in this section, the majority of your transactions involving such products would still result in you paying a commission for those products. In the case of our supervised persons, their active registration/licensing may allow them to be able to receive such Additional Compensation as opposed to the executing financial institution or other licensed agent receiving that compensation.

Any Additional Compensation received by our supervised persons in connection with the products/services described in the preceding section is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

### Compensation we Pay

Under certain circumstances, firms like ours may compensate other parties for having referred clients or potential investment advisory clients them. These sorts of arrangements are generally referred to as "solicitor" arrangements. PWMA is not a party to any solicitor agreement and does not compensate other parties in this manner.

## 15. Custody

We engage in certain activities that result in us being deemed to have custody of certain of our client's funds and/or securities.

- ☒ Automatic fee deduction from your brokerage or other trading accounts
- ☐ Physical possession or control (even temporary) of client funds or securities
- ☐ The ability to gain access to any client funds and/or securities
- ☐ One of our related persons has custody of funds and/or securities subject to our investment advisory services
- ☐ We or one of our related persons serves as the general partner, managing member, or other similar type of control person to an investment fund to which we provide investment advisory services.

As stated previously, your account statements will be provided by the qualified custodian that maintains physical possession of your accounts/assets. In the event that we also provide you information related to your accounts, you are urged to review that information to the information contained on the account statements or other statements received from the qualified custodian.

## 16. Investment Discretion

As part of our investment advisory services, we will generally seek and obtain your authorization to carry out part of our services on a purely discretionary basis—meaning we will make investment decisions on your behalf without seeking your prior approval. We will memorialize your authorization of our discretionary authority in our Client Profile & Advisory Agreement.

If you have authorized us to do so, we will exercise discretion over the following areas.

- The securities to be bought and sold
- The amount of securities to be bought and sold
- The broker dealer used to purchase or sell securities

We will have authority to exercise complete discretion with regard to the above-named factors without restriction. If done so on a non-discretionary basis, we will make certain recommendations that must be authorized by you prior to our facilitation of any such transactions. As may be separately agreed to in writing, we will observe any other specific limitations that may be imposed by you in relation to this discretionary authority.

## 17. Voting Client Securities

### Proxy Voting

#### Proxy Voting Policies and Procedures and Client Instruction

We do not vote proxies on behalf of any securities you own.

## 18. Financial Information

### Balance Sheet

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. As a result, we are not required to provide our clients with a copy of our balance sheet from our most recently completed fiscal year.

### Adverse Financial condition

In the event that we have discretionary authority or custody of any of our clients' assets or if we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments with our clients.

No such conditions exist.

### Bankruptcy-Related Matters

During the past ten years, PWMA has not been the subject of a bankruptcy petition.