

PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management. If you have any questions about the contents of this brochure, please contact us at (828) 352-8300 or by email at: info@preservewm.com. 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 PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management is also available on the SEC's website at www.adviserinfo.sec.gov. PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management's CRD number is: 304125.

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Registration as an investment adviser does not imply a certain level of skill or training.

Version Date: 12/07/2021

Item 2: Material Changes

There are no material changes in this brochure from the last annual updating amendment of PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management on 02/27/2020. Material changes relate to PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management's policies, practices or conflicts of interests only.

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Item 4: Advisory Business

A. Description of the Advisory Firm

PRESERVE Wealth Management, LLC d/b/a PRESERVE Wealth Management (hereinafter "PWM") is a Limited Liability Company organized in the State of North Carolina. The firm was formed in May 2019, and the principal owners are Daniel Thomas Heth and Rosalynn Harvey Heth.

B. Types of Advisory Services

Portfolio Management Services

PWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. PWM outlines the client's current situation (assets, liabilities, income, tax levels, and risk tolerance) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Risk Tolerance
- Asset Allocation
- Cash flow management
- Investment selections
- Regular portfolio monitoring

PWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. PWM will require discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

PWM seeks to provide investment decisions that are made in accordance with the fiduciary duties owed to its accounts and without consideration of PWM's economic, investment or other financial interests. To meet its fiduciary obligations, PWM attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, PWM's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is PWM's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Ongoing Financial Planning

Ongoing financial planning services may include:

1. Initial Consultation
2. Assess current financial situation and discuss the financial planning process and PWM services
 - a. Detailed meeting to go through Clients financial situation in depth and better understanding of client's financial goals and concerns
3. Client Recommendation Meeting
 - a. Delivery of a financial plan including current net worth (Balance Sheet), goals, action items and more.
 - b. Recommendations
 - c. Client walkthrough of plan and any questions

Included in the ongoing plan:

1. At least semi-annual client updates to assess the financial plan, implementation of the plan, limitations, adjustments needed, and assess new variables in a client's financial picture.
2. At least annual meeting to discuss plan assumptions, forecasts and goals
3. At least annual meeting to discuss progress toward goals

One-time Financial Planning

One-time comprehensive financial plans and narrower financial planning modules may include but are not limited to: retirement planning; cash flow planning; forensic budget analysis; investment planning; tax planning; estate planning; insurance planning; healthcare planning; social security planning; charitable planning; college planning; and debt/credit planning.

Pension Consulting Services

Plan- Level Advisor

PWM offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

Fiduciary Role:

- Fiduciary representation written into service contract

Investment Consulting:

- Investment Policy Statement (IPS) assistance
- Investment Reviews
- Fund Searches & Implementation

Plan Program Consulting:

- Program provider search
- Plan conversion assistance
- Fee analysis and benchmarking
- Fiduciary support
- Plan feature review

Employee Education Consulting:

- Review education program/recommend enhancements
- Provide education materials
- Deliver education seminars

Participant- Level Advice

PWM offers investment advice to the employees of firms with participant-directed retirement plans like 401(k) and Profit Sharing Plans. Participant advice would include, but is not limited to:

Risk Management

- an investor profile
- an investment policy statement

Investment Selection

- proposal to align investment selection with investor profile

Retirement Income

- project monthly retirement income based on current balance and continued contributions
- display impact of changing contribution levels, retirement dates, and investments

Services Limited to Specific Types of Investments

PWM generally limits its investment advice to institutional mutual funds and exchange traded funds (ETFs). PWM may use other securities as well to help diversify a portfolio when applicable, including but not limited to: fixed income securities, real estate funds (including REITs), insurance products (including annuities), equities, commodities (including ETFs in the gold and precious metal sectors), treasury inflation protected securities (TIPS), inflation linked bonds, non-U.S. securities, venture capital funds and private placements. PWM may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

PWM will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by PWM on behalf of the client. PWM may use model allocations together

with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent PWM from properly servicing the client account, or if the restrictions would require PWM to deviate from its standard suite of services, PWM reserves the right to end the relationship.

PWM incorporates both age and cash flow needs along with client risk tolerance information to further tailor our advisory services.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. PWM does not participate in wrap fee programs.

E. Assets Under Management

PWM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$44,267,037.00	\$0	December 2020

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

Assets Under Management (discretionary)	Flat Annual Fees
Investment Planning only	0.75% (\$5,000 minimum fee)
Accounts with ongoing Financial Planning agreement	0.50%
Accounts with ongoing Wealth Management agreement	0.50%
Accounts with ongoing Family Office agreement	0.35%

Assts Under Advisement (non-discretionary)	Flat Annual Fees
accounts manually tracked in PWM billing system	0.75%
accounts linked to PWM billing and eligible for transfer	0.40%
accounts linked to PWM billing but ineligible for transfer	0.30%
investment real estate and rental property	0.20%
Checking accounts, debt, collectibles, residence	0.00%

PWM uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally not negotiable, and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement in writing without penalty for a full refund of PWM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

Pension Consulting Services Fees

Plan-Level Pension Consulting Services

Total Assets Under Management	Annual Fee
First \$2,000,000	0.85% (\$5,000 minimum fee)
Next \$3,000,000	0.60%
Next \$5,000,000	0.40%
Next \$5,000,000	0.25%
Next \$5,000,000	0.15%
All assets over \$20,000,000	0.10%

PWM bills quarterly in arrears. When possible, PWM uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. If average daily balance is not available, PWM will bill on total plan assets as of the last day of each calendar quarter.

These fees are generally not negotiable, and the final fee schedule will be memorialized in the client's advisory agreement.

Clients may terminate the agreement in writing without penalty for a full refund of PWM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement immediately upon written notice.

Participant-Level Advice Services

Asset-Based Charge (choose one)	Annual Fee
Plan-Level Pension Consulting Services client add-on	0.15% of plan assets
Stand-alone service	0.20% (\$5,000 minimum fee)

OR

Per Employee Charge (choose one)	Annual Cost
Per participant charge (all-access)	\$100 per employee
Per participant charge (on-demand)	\$500 per instance

PWM bills asset-based charges quarterly in arrears. When possible, PWM uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. If average daily balance is not available, PWM will bill on total plan assets as of the last day of each calendar quarter.

PWM bills per-employee charges quarterly in arrears. PWM will bill all-access service based on total participants as of the last day of each calendar quarter.

PWM will bill on-demand service immediately upon the employee signing their investment policy statement.

These fees are generally not negotiable, and the final fee schedule will be memorialized in the client's advisory agreement.

Clients may terminate the agreement in writing without penalty for a full refund of PWM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement immediately upon written notice.

One-time Financial Planning Fees

The negotiated fixed rate for creating a one-time client financial plan is up to \$15,000. A \$500 deposit is required to begin all one-time project work with the balance due upon delivery of the final accepted plan.

Clients may terminate the agreement in writing without penalty, for full refund of the deposit to PWM, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

Ongoing Financial Planning Fees

The negotiated fixed rate for ongoing financial planning services is between \$10,000 and \$175,000 per year. Fees are paid quarterly in arrears.

Ongoing Financial Planning is offered at three levels of involvement:

Full-Service Financial Planning

The annual cost of \$10,000 makes this service most appropriate for families with investable assets in the \$1,000,000 to \$4,000,000 range. Services include:

- 0.25% reduction in your investment advisory rate
- All portfolio management services
- Retirement planning
- Education planning
- Social security planning
- Prioritization of needs, wants, and wishes
- Outside account integration
- Net worth statement
- Healthcare cost models
- Stock option scenarios
- Concentrated positions
- Pension integration
- Bear market stress testing
- Special asset analysis
- Saving & spending strategy
- Quarterly strategy sessions

Full-Service Wealth Management

The annual cost of \$25,000 makes this service most appropriate for families with investable assets in the \$3,000,000 to \$30,000,000 range. Services include:

- 0.25% reduction in your investment advisory rate
- All portfolio management services
- All Full-Service Financial Planning services as described above
- Targeted sessions with your accountant
- Targeted sessions with your estate lawyer
- Targeted sessions with your insurance team
- Targeted sessions with your charitable planning experts
- A written senior aging and continuation plan
- Monthly action plan with deliverables

Full-Service Family Office

The annual cost of \$175,000 makes this service most appropriate for families with investable assets over \$30,000,000. Services include:

- 0.40% reduction in your investment advisory rate
- All portfolio management services
- All Full-Service Financial Planning services as described above

- All Full-Service Wealth Management services as described above
- Financial accounting
- Bookkeeping and bill pay
- Trustee services
- Philanthropic management
- Valuation services
- Enterprise reporting
- Executive assistant services
- Concierge services
- Family governance
- Family meetings and education

B. Payment of Fees

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid on a quarterly basis, in arrears, based on the average daily balance.

Payment of Ongoing Financial Planning Fees

Ongoing financial planning fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid on a quarterly basis in arrears.

Payment of One-time Financial Planning Fees

One-time financial planning fees are paid via check or wire. For current clients, fees may be deducted directly from client's account with written authorization.

A \$500 deposit is required to begin all one-time project work with the balance due upon delivery of the final accepted plan.

Payment of Pension Consulting Fees

Asset-based pension consulting fees are withdrawn directly from the client's account(s) with client's written authorization or may be invoiced and billed directly to the client. Clients may select the method in which they are billed. Fees are paid on a quarterly basis, in arrears, based on the average daily balance.

C. Client Responsibility for Third Party Fees

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and

distinct from the fees and expenses charged by PWM. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

With the exception of a \$500 deposit to begin one-time financial planning work, PWM collects its fees in arrears. It does not collect ongoing fees in advance.

E. Outside Compensation for the Sale of Securities to Clients

Neither PWM nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

PWM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

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

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and 401(k)/Profit Sharing Plans

There is an account minimum of \$3,000,000 which may be waived by PWM in its discretion.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

PWM's methods of analysis include Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

PWM uses long-term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these

patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

Commodities are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither PWM nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PWM nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither PWM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

PWM does not utilize nor select third-party investment advisers.

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

A. Code of Ethics

PWM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. PWM's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

PWM does not recommend that clients buy or sell any security in which a related person to PWM or PWM has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of PWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of PWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. PWM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities at/around the Same Time as Clients' Securities

From time to time, representatives of PWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of PWM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such that

operates to the client's disadvantage if representatives of PWM buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. The Custodian and Brokers We Use

PWM does not maintain custody of your assets that we manage and on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We request that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we request that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab 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. If you do not wish to place your assets with Schwab, then we cannot manage your account, only advise on it, and there is no reduction in PWM's rate for advisory services. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”)

First Trust Portfolios pays for PWM's Riskalyze (risk management) subscription because the firm has over \$10MM invested with First Trust Portfolios. PWM may enter into soft dollar arrangements through which it may receive research, products, or other services from its broker/dealer or another third-party in connection with client securities transactions (“soft dollar benefits”) within (but not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and PWM does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. PWM benefits by not having to produce or pay for the research, products or services, and PWM will have an incentive to recommend an investment firm based on receiving research or services.

B. How We Select Brokers/Custodians

We seek to use a broker/custodian that will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)

- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

C. Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. Schwab’s commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$30,000,000 of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”).

D. Products and Services Available to Us from Schwab

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like PWM. They provide our clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available 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

are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

1. *Services that benefit you*

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 we 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 you and your account.

2. *Services that may not directly benefit you*

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. 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:

- provide access to client account data (such as duplicate trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data
- facilitate payment of our fees from our clients' accounts
- assist with back-office functions, recordkeeping, and client reporting

3. *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:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

E. Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. This creates an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. In some cases, the services that Schwab pays for are provided by an affiliate of ours or by another party that has some pecuniary, financial or other interests in us (or in which we have such an interest). This creates an additional conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

F. Brokerage for Client Referrals

PWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

G. Clients Directing which Broker/Dealer/Custodian To Use

PWM will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer. If on the rare occasion our custodian cannot execute a trade, they may "trade away" and charge you a flat dollar amount as described above (see "Your brokerage and custody costs").

H. Aggregating (Block) Trading for Multiple Client Accounts

If PWM buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, PWM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. PWM would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All PWM advisory client accounts are reviewed at least monthly by Daniel T Heth, Founder & CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at PWM are assigned to this reviewer.

All one-time financial planning accounts are reviewed upon financial plan creation and plan delivery by Daniel T Heth, Founder & CEO. Financial planning clients are provided the one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for an additional fee.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

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, etc.).

Ongoing financial planning clients will have real time access to their financial plan which is updated dynamically with daily values and always available on their PWM on-line portal.

C. Content and Frequency of Regular Reports Provided to Clients

Each client of PWM's ongoing advisory services client will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. PWM will also provide at least quarterly a separate written statement to the client.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

PWM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to PWM's clients.

With respect to Schwab, PWM receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For PWM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to PWM other products and services that benefit PWM but may not benefit its clients' accounts. These benefits may include national, regional or PWM specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of PWM by Schwab Advisor Services personnel, including meals, invitations to sporting events or tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist PWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of PWM's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of PWM's accounts. Schwab Advisor Services also makes available to PWM other services intended to help PWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to PWM by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to PWM. PWM is independently owned and operated and not affiliated with Schwab.

B. Compensation to Non - Advisory Personnel for Client Referrals

PWM may enter into written arrangements with third parties to act as solicitors for PWM's investment management services. Solicitor relationships will be fully disclosed to each

client to the extent required by applicable law. PWM will ensure each solicitor is exempt, notice filed, or properly registered in all appropriate jurisdictions.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, PWM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

PWM provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, PWM generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, PWM's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to PWM).

Item 17: Voting Client Securities (Proxy Voting)

PWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

PWM neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither PWM nor its management has any financial condition that is likely to reasonably impair PWM's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

PWM has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

The education and business backgrounds of PWM's current management person, Daniel Thomas Heth, can be found on the Form ADV Part 2B brochure supplements for that individual.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

C. Calculation of Performance-Based Fees and Degree of Risk to Clients

PWM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

See Item 10.C and 11.B.