



**THE BROCHURE**  
**ADV Part 2A**

**Item 1 - Cover Page**

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This Brochure provides information about the business practices of PTS Asset Management (“Advisor”). The client will be referred to throughout this Brochure as Investor. If you have any questions about the contents of this Brochure, please contact us using the information above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. The Advisor, PTS Asset Management, is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about PTS Asset Management is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 - Material Changes**

In the past we have offered information about our qualifications and business practices to Investors on at least an annual basis. Recently, the United States Securities and Exchange Commission changed the disclosure document requirements. As such, this Document is different in structure and requires certain new information that our previous brochure did not.

Our Brochure may be requested, free of charge by using the above contact information

The material change made to this brochure since the firm’s last annual update on March 29, 2020 is to update the regulatory assets under management in Item 4.

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**Item 4 - Advisory Business**

Investment Advisory Services

Our mission statement is to participate during rising markets and to preserve during declining markets. We attempt to achieve our mission by allocating Investor accounts into investments that buy domestic equity, international equity, or bonds positions when the markets and the economy appear favorable to our Investment Committee. During periods that appear unfavorable, our mission is to allocate a portion or all of an Investor account to money market funds or to more defensive positions.

The Client Application signed by the Investor grants the Advisor a limited power of attorney to implement the management strategy on a discretionary basis. This includes the right of the Advisor to affect all trades with the designated custodian, at the discretion of the Advisor, without prior notice to Investor.

The Advisor offers four different risk tolerance/model portfolios to seek to achieve its mission: Conservative, Moderate, Growth and Allocation Plus. Prior to completing the Client Agreement, the Solicitor and Investor select the model that best matches the Investor’s risk tolerance. The chart below illustrates the target allocation to each of the asset classes:

Conservative Model		Moderate Model		Growth Model	
Domestic Stocks	40%	Domestic Stocks	60%	Domestic Stocks	100%
Global/International Stocks	40%	Global/International Stocks	60%	Global/International Stocks	100%
Bonds	70%	Bonds	80%	Bonds	100%
Money Markets	100%	Money Market	100%	Money Market	100%

Allocation Plus is a more aggressive model and offered only on a platform. Unlike the traditional model, Allocation Plus offers:

- Minimum target (20%) and maximum target (60%) allocations for each asset class.
- Target for Domestic 20-60%, International 20-60%, Bonds 20-60%.
- The money market fund is not an option.
- This product will always be fully invested and as a result have a higher beta (more risk) than the traditional Advisor service offerings.
- A wider array of asset classes will be considered, including short funds, leveraged funds, and specific sectors such as gold.
- With short funds being an option, Allocation Plus has the potential to post positive results during a market decline.
- Investors should be aware that a loss could also result.

Allocation Plus may utilize short or inverse funds which are subject to increased risks and is not suitable for all Investors. The fund's use of derivatives such as futures, options, and other instruments will expose clients to additional risk. Theoretically, securities sold short have the risk of unlimited losses and therefore Investors may lose 100% of their investment. The more the fund invests in leveraged instruments, the more the leverage will magnify any gains or losses on those investments. The fund is considered non-diversified and changes in the market value of a single security could cause greater fluctuations in the value of fund shares. Securities are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC. As always, Investors should always review the prospectus prior to investing.

#### Solicitors

Typically, the services of the Advisor are distributed through unaffiliated Solicitors and their firms that have established a working relationship with Advisor. Clients are usually introduced to the Advisor through his/her financial professional. Therefore, the Advisor does not promote its services directly to the public. The primary involvement of the Solicitor with the Advisor is introducing the Investor to the Advisor. Under this arrangement, the Solicitor provides the Investor with the Solicitor disclosure statement outlining the terms of the arrangement between Advisor and Solicitor. The Advisor will pay the Solicitor a portion of the annual advisory fee. The Advisor's fee is the same whether the Advisor is engaged through a Solicitor or directly by the Investor.

The Solicitor will present the services of the Advisor to the Investor through marketing literature provided by the Advisor. The Solicitor will explain the strategies offered by the Advisor to the Investor. The Solicitor will assist with the account opening paperwork for both the Advisor and custodian. The Solicitor will monitor the Investor's financial needs and goals by meeting with the Investor to evaluate the appropriateness of the strategy and continuation of the Advisor's program for the Investor. The Solicitor has no involvement with the day-to-day management of the accounts or investment decision processes; those responsibilities are borne by the Advisor.

The Advisor does not provide portfolio management services to wrap fee programs.

#### Ownership and Assets under Management

The Advisor, PTS Asset Management has been a registered investment advisor since October 12, 1990. The primary owner of the Advisory firm is Wadsworth Family, LLC. William F. Wadsworth, Jr. is a member of the Wadsworth Family, LLC.

The Advisor has \$226,084,908 of discretionary regulatory assets under management as of December 31, 2021.

## **Item 5 - Fees and Compensation**

The method of payment for the Advisor's fee is selected by the Investor and is collected by various means including: deducting the fee from the Investor assets being managed; deducting the fee from a non-managed account; completing the Advisor ACH form and debiting the fee from the institution designated by the Investor; or by direct bill. Investor selecting the direct bill option will be mailed an invoice by Advisor for prompt payment. In some cases, deducting the Advisor fee from an Investor account may result in additional fees due to hold periods imposed by the underlying mutual fund or custodian. Furthermore, if the Investor directs Advisor to deduct the fee from an IRA, variable annuity or other qualified account, additional fees or penalties may result. Under certain situations, account minimums, the fee percentage, and the billing cycle may be negotiated. Some Investors may pay more than others and the Advisor sets the fee. In the event that an Investor cancels the agreement prior to the end of the billing period, a pro-rata refund is paid. Compensation of approximately 50% of the fee will be paid to Solicitors who refer Investors to the Advisor. The Investor is required to pay a management fee to the Advisor as well as a management fee to the selected underlying investment company. For personal accounts of Solicitors, the finders/referral portion of the fee may be reduced or waived, decreasing the annual Advisor fee. The Advisor may waive the advisory fee for accounts of friends and family.

In addition to acting as a Solicitor for the Advisor, a registered representative may also act in the capacity of a broker or agent and effect securities transactions for typical and customary compensation. Also, investment advisor representatives of the Advisor may also be registered representatives and effect securities transactions for compensation. Investors are not obligated to use investment advisory representatives of the Advisor to execute such securities transactions. This practice may present a conflict of interest by creating an incentive to recommend investment products based on the compensation received, rather than on an Investor's needs. The Investor will be informed of these fees in advance of the execution of the transaction.

The Advisor offers its advisory services to Investor accounts that primarily fall into one of the following two categories and both types of Investor accounts are physically held by qualified custodians – those accounts are called: Platform and Non-Platform accounts. The assets of the Investor accounts maintained on the Platform are held by companies that are institutional custodians. The two primary institutional custodian Platforms available at this time are Millennium Trust Company and E\*Trade Advisor Service. Both institutional custodians provide a host of services to the Advisor which include but are not limited to block trading, streamlined fee billing and the offering of thousands of investment options for the Advisor to select from and many of these options may potentially reduce the cost associated with investing. The Non-Platform Investor accounts are all the remaining Investor accounts not held on the Platform, but rather, many of these Non-Platform Investor accounts are held directly at registered investment companies (i.e., mutual funds) or by variable annuity insurance companies.

Both Platform and Non-Platform Investor accounts remain subject to the internal expenses associated with investments made in mutual funds and variable annuities. Some of these fees include expenses such as 12b-1 fees, servicing fees, management fees, etc. These expenses will vary, which is why it is important that the Investor read the prospectus and disclosure documents to understand the underlying fees associated with investing.

### **Non-Platform Account**

The Advisor fee structure for Investor accounts managed or custodied at a mutual fund, variable annuity, savings plan, or other non-platform investment company employs a stepped scale, charging a percentage of the assets under management as illustrated below.

<u>Non-Platform Fee Schedule</u>	<u>Annual Fee</u>
\$50,000 to \$250,000	2.25%
\$250,001 to \$500,000	2.00% of amount over \$250,000
\$500,001 to \$1,000,000	1.75% of amount over \$500,000
\$1,000,001 and over	Negotiable

Typically the fee for amounts invested during a billing cycle will be prorated for the remaining portion of the period in which the investment is made. Fees for the additional amounts invested are payable when the additional amounts are deposited. The fees for subsequent cycles are based on the ending market value as of 12/31 and 6/30 of each year.

For Non-Platform Investor accounts, the Advisor fee is shared with the Solicitor as a result of the Solicitor establishing Non-Platform Investor accounts. Unlike Platform accounts, solicitors will receive trailing brokerage compensation (12b-1 fees, administrative fees, etc.) in addition to the sharing of the Advisor fee. These accounts were previously opened by the Solicitor at Non-Platforms with registered investment companies (ie mutual funds, variable annuity) prior to the Solicitor and Investor engaging the Advisor for management of the Non-Platform Investor Account. The 12b-1 fees are paid by the mutual fund companies directly to the FINRA-member firm (also known as a broker-dealer) with which the Solicitor is registered as a Registered Representative. The FINRA-member firm then distributes a portion of the 12b-1 fees directly to the Solicitor. PTS does not receive any portion of these brokerage fees. However, the General Partner of Advisor William F. Wadsworth is a registered representative with Integrated Financial Planning Services (IFPS), CRD #17935, SEC #35120 a FINRA registered broker-dealer. Clients that use Mr. Wadsworth in the capacity as a registered representative will incur transactional costs (12b-1 fees, administrative fees, etc.) in addition to the management fee for advisory services. If transactional costs are paid, this creates a conflict of interest. Mr. Wadsworth addresses this conflict of interest by disclosing to all clients prior to initiating any transactional related business the amount of additional cost.

#### Platform Accounts

The Advisor's fee structure for Investor accounts managed on an investment platform such as Millennium Trust Company, Folio Institutional or Trust Company of America follows the schedule below. The fees are calculated on the market value at the end of each quarter based on a calendar year. (12/31, 3/31, 6/30, 9/30) Under certain situations, account minimums, the fee percentage and billing cycle may be negotiated. Some Investors may pay more than others and the Advisor sets the fee. If requested, Investor accounts managed on the platform will receive statements directly from the platform. Investor accounts managed off platform will be billed using the traditional Advisor's fee structure described above.

<u>Platform Fee Schedule</u>	<u>Annual Fee</u>
\$50,000 to \$250,000	2.00%
\$250,001 to \$500,000	1.75% of amount over \$250,000
\$500,001 to \$1,000,000	1.50% of amount over \$500,000
\$1,000,001 and over	Negotiable

For non-platform accounts and platform accounts, Investor should know that all fees paid to the Advisor for investment advisory services are separate and distinct from the fees associated with the mutual funds,

variable annuities or the underlying custodian. Each of these entities generally has additional fees and or commissions. Please carefully review the mutual fund or variable annuity prospectus for the details of related cost.

The Advisor will not accept or maintain custody of an Investor's funds. The Investor is responsible for all custodial and securities execution fees charged by the custodian. The Advisor's fee is separate and distinct from the custodian and execution fees.

For an Investor account established on a Platform provider, the Solicitor will not receive brokerage-type commission compensation. All investments made are conducted at net asset value (NAV), also known as, on a fee basis, commission free. The sharing of the Advisor fee is the sole compensation received by the Solicitor as a result of establishing Investor accounts on the Platforms. Many mutual funds charge a 12b-1 fee or other administrative fees. If a mutual fund is selected that charges these expenses, the Investor ultimately will be impacted by the decreasing value of the underlying mutual fund. Whether or not a mutual fund charges these fees does not have a disqualifying consideration by the Advisor during the mutual fund selection process for the Platform and does not have an impact on the advisory fee charged to the Investor by the Advisor. The Platform Provider does not share these fees directly or indirectly with the Advisor.

An Investor may be able to invest in products recommended by the Advisor directly, without the services of the Advisor. In that case, the Investor would not receive the services provided by the Advisor which are designed, among other things, to assist the Investor in determining which products or services are most appropriate to each Investor's financial condition and objectives.

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

Advisor fees are not based on performance.

#### **Item 7 - Account Minimum and Typical Investor Profiles**

Our account size minimum is negotiable, but we encourage accounts of \$50,000 or more. We manage for just about all types of Investors including corporations, non-profits, families, retirement account trustees, etc. We state in our literature, "We strongly suggest you do not use this service if you have a short-term time horizon." Hence, the one type of Investor we discourage from using our services are speculative Investors seeking to make a lot of money over a short period of time.

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

The Investment Committee of the Advisor may use both fundamental and technical analysis. Further explanation is provided below. All investments can lose their entire value, and Investors must be prepared for material risks, in the four asset classes that can be allocated to 1) domestic stock funds, 2) international securities, 3) bonds, and to a lesser extent, 4) money market funds.

Our fundamental analysis involves analyzing the macro financial data of the economy. Fundamental analysis is performed on current data and can be compared to its related historical benchmarks. This data may include but is not limited to interest rates, commodity prices, labor market, and Gross National Product (GNP). There are several possible objectives to this process with the primary being to measure the temperature of the economy and to determine the current location of the economic cycle as it compares to the current market cycle.

Our technical analysis is a method of evaluating current macro market data. The data may include but is not limited to market volume, trend, momentum, new highs vs. new lows and price/earnings (P/E) or price to earnings ratios. The objectives of our technical analysis may include determining the overall strength or weakness of the markets and measuring the current valuation of the markets.

The ultimate goal of combining both fundamental and technical analysis is to determine the overall current risks associated with investing versus the current opportunity. No single method of analysis or piece of data on its own will provide significant guidance. However, when combined, arranged and evaluated, a more solid perspective commonly materializes providing insight into investment risks and opportunities. When it appears risk exceeds opportunity the mission is to dollar cost average out of invested positions to more defensive positions such as money market funds. Conversely, when it seems opportunity outweighs risks the mission is to allocate to offensive positions such as domestic, international and bond positions.

To receive the complete value of the advisor, it may require a complete market which involves an up market (bull market) cycle and down (bear market) cycle. Historically a complete market cycle takes place over a several year period. Therefore, we strongly suggest you do not use this service if you have a short-term time horizon.

The Advisor primarily allocates Investor accounts to positions in mutual funds and the material risks of this type of investment are:

Every type of investment, including mutual funds, involves risk. Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. A fund's investment objective and its holdings are influential factors in determining how risky a fund is. Reading the prospectus will help you to understand the risk associated with that particular fund. Generally speaking, risk and potential return are related. This is the risk/return trade-off. Higher risks are usually taken with the expectation of higher returns at the cost of increased volatility. While a fund with higher risk has the potential for higher return, it also has the greater potential for losses or negative returns. Generally, when investing in mutual funds a longer-term time horizon is required. Below is a list of some of the risks to consider when investing.

- **Call Risk.** The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- **Country Risk.** The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- **Credit Risk.** The possibility that a bond issuer will fail to repay interest and principal in a timely manner. Also called default risk.
- **Currency Risk.** The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- **Income Risk.** The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- **Industry Risk.** The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- **Inflation Risk.** The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.

- Interest Rate Risk. The possibility that a bond fund will decline in value because of an increase in interest rates.
- Manager Risk. The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk. The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk. The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

#### **Item 9 - Disciplinary Information**

From 1990 to 2010, the Advisor never paid a fine to any regulatory agency. As of September 19, 2011, the Advisor, William F. Wadsworth, Jr. and the Connecticut Department of Banking, Securities and Business Investment Division reached an agreement whereby William F. Wadsworth, Jr. and the Advisor paid an administrative fine. Further details of this event can be found at [www.ct.gov/dob](http://www.ct.gov/dob). We believe this agreement will not have a material negative impact on our finances or operations.

#### **Item 10 - Other Financial Industry Activities and Affiliations**

The Advisor, through common ownership of the Wadsworth Family LLC has several affiliates including W & W Properties, LLC, Deca One, LLC, Wadsworth Financial Group, Inc, Wadsworth Family Foundation, a 501(c)(3) charitable entity and ITS Asset Management, L.P. a registered investment advisor. Investors of the Advisor are not solicited for any of the activities of these other entities. Therefore, no conflict of interest exists.

As of December 2016, William F. Wadsworth, Jr. is a Registered Representative with Integrated Financial Planning Services (IFPS), CRD #17935, SEC #35120, a FINRA registered broker-dealer. IFPS is not affiliated with the Advisor. Some clients of the Advisor are solicited to utilize the services of Mr. Wadsworth as a Registered Representative. However, to the extent a client of the Advisor does utilize the services of Mr. Wadsworth as a Registered Representative, all fees associated with the services provided will be disclosed to the client in advance to mitigate any conflicts of interest.

#### **Item 11 - Code of Ethics, Participation or Interest in Investor Transactions and Personal Trading**

##### Code of Ethics

The Advisor places great importance on its standing in the financial services industry particularly as it relates to the Code of Ethics and our fiduciary responsibilities to the Investor. In part, the Advisor has adopted a Code of Ethics for any personnel associated with the firm. Standards of conduct and character expected include honesty, integrity, competency, and willingness to work together in providing the best possible service to our Investors. New personnel at the Advisor must sign a document indicating they have read and understood the Advisor's Code of Ethics.

The Advisor will provide a copy of its Code of Ethics to any Investor or prospective Investor by request.

##### Personal Trading



This section covers employees of the Advisor relating to personal trading and potential conflicts of interest. This section does not purport to embrace all situations in which conflicts arise. It is incumbent upon each employee to exercise judgment to determine whether or not a conflict exists, and whether it would justify remedial action. In a doubtful situation, this matter should be first fully disclosed and discussed with the Chief Compliance Officer.

Employees of Advisor are prohibited from acting on investment advice to move (buy or sell) or reallocate their personal account(s) in advance of the conversion or reallocation of the accounts of Investors of Advisor.

- Employees must not accept offers, which come to them because of their position, to buy a security at terms more favorable than those available to the general public.
- No employee shall engage in transactions when there is a conflict with their duty to protect the Firm's interest that may lead to any personal gain or benefit.
- Employees must avoid any conflict of interest involving loans, investments, gifts, or other activity, which may interfere with the independent and objective exercise of judgment for the firm.
- Employees must report personal securities holdings annually and transactions in those holdings on a quarterly basis involving reportable securities only.
- All securities are reportable with the following exceptions: Shares of money market funds; shares of mutual funds; direct obligations of the U.S. government; money market instruments such as bankers' acceptances, bank CDs, commercial paper, repurchase agreements and other high quality short-term debt instruments; and units of a unit investment trust if the trust is invested exclusively in unaffiliated mutual funds.
- Annual holdings reports must be current as of a date not more than 45 days prior to the date of submission or from the date of becoming an access person of the firm.
- Quarterly transaction reports must be submitted within 30 days after calendar quarter end.
- Employees must obtain Advisor approval before investing in IPOs, limited offerings, or engaging in private placement.
- Employees must safeguard material nonpublic information and not disclose it to unauthorized sources.
- Employees must report any violation of the above policies to the Chief Compliance Officer on a timely basis.

The following policies will help you to avoid potential conflict of interest situations:

Federal law prohibits the use of inside information for financial gain. If you have access to sensitive information prior to its disclosure to the public, you are responsible for protecting the confidentiality of that information. Violation of this policy may lead to termination of employment and/or legal remedies.

As a general rule, substantial gifts (over \$50.00 in value) should not be given or accepted. Any gifts with a value of more than \$50.00 should be reported to your immediate supervisor.

## **Item 12 - Brokerage Practices**

Our business model is to provide asset allocation models for package products including mutual funds and

variable annuities. However, our specialty is not managing individual securities such as stocks and bonds. Unlike stock and bonds which can trade throughout the day at different prices, mutual funds are priced only once per day, after the market close. Once the price per share is determined in a particular fund, the same price applies to all buys and sells on any given day. Hence, we have no need for brokerage practices at this time. Should the business model of the Advisor change, the Brokerage Practices would be evaluated and adapted to the revised model.

### **Item 13 - Review of Accounts**

As previously described, the Advisor does not provide customized management or comprehensive financial planning services. In other words, our portfolio management is not based on the specialized needs of any one individual client. Rather, the Advisor offers four model portfolio strategies. The Advisor does not conduct periodic reviews of individual client accounts for investment supervisory purposes. It's commonplace that the Investor account being managed by the Advisor represent only a portion of the overall assets. The Advisor does not have knowledge of, request or maintain information regarding the other investments owned by the client. The Solicitor and Investor select a risk tolerance/model portfolio offered by the Advisor that is best suited for the Investor. The Solicitor that brings the Investor to the Advisor will be responsible for the Investor account reviews and ensuring the Investor is positioned in the appropriate risk tolerance/model portfolio.

It is the understanding of the Advisor that the Investor will receive written statements no less than quarterly from the custodian. In addition, the Investor may receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with Investors accounts.

For Advisor initiated trades, the Advisor conducts a review of the Investor accounts verifying that the trade instructions were properly implemented. The objective is to ensure that the accounts for the traded model are in the proper funds and correctly allocated. Over time, account variances may occur from activities such as account withdrawals, additions, or simply from market volatility. When identified and if needed, account holdings may be reallocated to realign with the model portfolio selected by the client.

### **Item 14 - Investor Referrals and Other Compensation**

As previously mentioned, the Advisor's services are marketed through unaffiliated Solicitors who have no advisory capacity with the Advisor. Under this arrangement, the Advisor will pay a referral fee for the solicitation. That fee is typically 50% of the gross advisory fee received by the Advisor. In few instances, the Advisor sponsors educational seminars for Solicitors about our products. The Advisor does not receive any compensation for the seminar.

Certain outside firms, including Centaurus Financial, Inc. and Next Financial Group, Inc receive additional compensation from the Advisor through a revenue sharing arrangement initiated by the outside firms. These firms may also have similar revenue sharing arrangements with other investment advisory firms in addition to the Advisor. The revenue sharing arrangement includes quarterly payments to the firms based on the total assets under management placed by the Solicitors of each of the respective firms.

### **Item 15 – Custody**

The Advisor does not have physical custody of the funds or securities we manage for our clients. All Investor assets managed by the Advisor are held by qualified custodians responsible for the safekeeping of the securities. The custodian normally provides the Investor with a monthly or quarterly statement which

indicates securities held and their values, the transactions in the account for the past period, as well as dividends or capital gains. The custodian may also provide transaction statements to the Investor which are generated when the Advisor provides instructions to the custodian to buy or sell a position. Investors should carefully review the statements they receive from their custodians and promptly report any discrepancy to them.

#### **Item 16 - Investment Discretion**

The Investor provides the Advisor a limited power of attorney to implement the elected management strategy on a discretionary basis. The Investor provides authorization to the Advisor to effect transactions with the designated custodian named in the Client Application. This includes the right of the Advisor to affect transactions, at the discretion of the Advisor, without prior notice to the Investor. Additional fees may be charged for transactions by the underlying custodian. The discretion is limited to the designated custodian and therefore Advisor cannot transfer the Investors account from the designated custodian.

Discretionary authority will only be provided upon full disclosure to the Investor. The granting of such authority will be evidenced by the Investor's execution of a Client Agreement containing all applicable limitations to such authority. The Investor working with the Solicitor determines the model that best suits the Investor needs and establishes an account at a custodian or platform provider of their choice.

#### **Item 17 - Voting Investor Securities**

The Advisor does not have authority, nor will it accept authority, to proxy vote for its Investors.

#### **Item 18 - Financial Information**

The Advisor has discretionary authority over Investor accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to Investors. If the Advisor does become aware of any such financial condition, this brochure will be updated and Investors will be notified. In some instances, the Advisor collects its management fee of \$1,200 or more six months in advance therefore, the following is the Advisor's 2020 audited Balance Sheet;

	Dec 31, 2020
ASSETS	
Current Assets	
Savings/Checking/Fee Account	901,840
Total Account Receivable	94,832
Employee Advances	2,965
Marketable Securities	20,831,184
Undeposited Funds	(94,692)
Total Accounts Receivable	21,736,129
Fixed Assets Furniture & Equipment	
Depreciation	(27,426)
Original Cost	27,426

Total Fixed Assets	0
<b>TOTAL ASSETS</b>	<b><u>21,736,129</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Current Liabilities	
Accounts Payable	<u>1,356</u>
Total Current Liabilities	1,356
Equity	
Partner One Equity Draws	(12,848,299)
Partner Two .Draws	(1,000,000)
Retained Earnings	32,359,085
Retained Earnings I	10,799
Net Income	<u>3,213,189</u>
Total Equity	21,734,773
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>21,736,129</u></b>

## Item 19 – Privacy Policy

Facts	What Does PTS Asset Management Do With Your Personal Information?		
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: social security number, date of birth, account numbers, account balances and transaction history. When you are no longer our customer, we continue to share your information as described in this notice.		
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons PTS Asset Management chooses to share, and whether you can limit this sharing.		
Reasons we can share your personal information.		Does PTS Asset Management share?	Can you limit this sharing?
For our everyday business purposes such as to process your transactions, maintain our account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes	No
For our marketing purposes - to offer our products and services to you		No	No
For joint marketing with other financial companies		No	We don't share

For our affiliates’ everyday business purposes - information about your transactions and experiences		Yes	No
For our affiliates’ everyday business purposes - information about your creditworthiness		No	We don’t share
For our affiliates or non affiliates to market to you		No	We don’t share
Who we are and who is providing notice?	PTS Asset Management		
What We do			
How does PTS Asset Management protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.		
How does PTS Asset Management collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"><li>▪ Open an account or provide account information</li><li>▪ Tell us about your investment portfolio or transaction history</li><li>▪ Complete various forms containing your personal information</li></ul> <p>We also may collect your personal information from others, such as from other custodians housing your investments.</p>		
Why can’t I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"><li>▪ sharing for affiliates’ everyday business purposes—information about your creditworthiness</li><li>▪ affiliates from using your information to market to you</li><li>▪ sharing for nonaffiliates to market to you</li></ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>		
Definitions			
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"><li>▪ W&amp; W Properties, LLC, Deca One, LLC, Wadsworth Financial Group, Inc., and Wadsworth Family Foundation, a 501(c)(3) charitable entity.</li></ul>		
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"><li>▪ PTS does not share with nonaffiliates so they can market to you.</li></ul>		
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"><li>▪ PTS Asset Management doesn’t jointly market</li></ul>		
Other important information			
This notice applies to individual consumers who are customers or former customers. This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We will keep you informed of changes or amendments as required by law.			
Questions	Call 800-678-9730		