

## **WRAP FEE DISCLOSURE BROCHURE**

# **Peters Wealth Management, LLC**

CRD#172203

4000 Diamond Creek Court

Carrollton, Texas 75010

Phone# 972-492-4920

<http://peterswealthmanagement.com/>

March 31, 2021

This wrap fee program brochure provides information about the qualifications and business practices of Peters Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 972-492-4920. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Peters Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This is our annual update to our Wrap Fee Program Brochure. There are no material changes since our last annual amendment, which was dated March 30, 2020. However, this updated brochure includes non-material updated information and you should read it in its entirety. We will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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## Item 4 – Services, Fees and Compensation

### A. Types of Advisory Services

The Adviser's Wrap Fee Program (the "*Program*") is an investment advisory program sponsored by the Adviser. The Program provides individual high net worth investors, individual investors, trusts, and small entities (each, a "*Client*") with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges.

To join the Program, a Client must:

1. Complete an investment management agreement (an "*IMA*") with the Adviser, which includes a suitability questionnaire that describes the Client's financial needs, investment objectives, risk tolerance, any restrictions on investing in certain securities or types of securities as well as any other factors relevant to the client's specific financial situation and any other supporting documentation the Program requires;
2. Complete a new account agreement with TD Ameritrade Institutional ("*TD Ameritrade*"); and
3. Open a securities brokerage account (an "*Account*") with TD Ameritrade and deposit those assets designated for participation in the Program into the Account.

After an analysis of all information provided by the Client, the Adviser assists the Client in developing an appropriate investment strategy for the assets in their Account. Thereafter, all Clients are encouraged to discuss their needs, goals, and objectives with the Adviser and to keep the Adviser informed of any changes thereto. The Adviser contacts ongoing Clients at least annually to review its previous services and/or recommendations and to determine whether changes should be made to their investment strategy.

In exchange for participating in the Program, the Adviser charges each Client an annualized fee (the "*Program Fee*"), which is charged quarterly in advance, based upon the value of the account on the first day of each fiscal quarter. The Program Fee, which is negotiable, varies between 1.0% and 1.5% of assets on an annual basis depending on the amount of assets under management for the Client, as noted in Item 4(B) below. No exact percentage of the total Program Fee is paid to the Adviser; rather the Adviser uses whatever is necessary to cover costs incurred in executing transactions for its Clients and keeps the remaining portion as compensation for providing advisory services.

The Adviser does not currently charge fees with respect to advice regarding 529 College Savings Plans.

### B. Cost of Using the Program

Under the Program, Clients receive both investment advisory services and the execution of transactions in their account for a single, combined, fee based on the amount of assets in their

accounts. Participation in the Program may cost the Client more or less than paying for such services separately, depending on the number of transactions made in the Client's account, as well as the commissions charged for each transaction.

You are required to authorize the Adviser to debit the Program Fee from your Account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. On an annualized basis, the Adviser's Program Fee, subject to negotiation, is based on the following tiered fee schedule:

<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.50%
\$500,001 to \$1,000,000	1.25%
Accounts over \$1,000,000	1.00%

#### **C. Costs in Addition to the Program Fee**

Client accounts may bear certain costs and expenses in addition to the Program Fee, including but not limited to, internal fund management fees charged by managers of mutual funds or exchange-traded funds (as disclosed in the fund's prospectus), margin interest expenses, transfer taxes, and other fees and taxes on brokerage accounts and securities transactions, if any.

#### **D. Additional Compensation to the Adviser**

The Adviser does not receive compensation as a result of the Client participating in the Program other than the Program Fee.

### **Item 5 – Account Requirements and Types of Clients**

The Adviser provides investment advisory services to individual high net worth investors, individual investors, trusts, and small entities. The Adviser does not require that each Account exceed a minimum asset amount prior to accepting the account holder as a Client.

### **Item 6 – Portfolio Manager Selection and Evaluation**

#### **A. Portfolio Manager**

The Program does not use third party portfolio managers. James Peters, the owner of the Adviser is currently the only portfolio manager for the Program.

#### **B. Advisory Business**

*Principal Owners and Background*

Peters Wealth Management, LLC (the “*Adviser*”) was founded in 2014 and is owned and controlled by James Peters (the “*Principal*”).

*Types of Advisory Services*

The Adviser offers advisory services to individual high net worth investors, individual investors, trusts, and small entities (each, a “*Client*”). The Adviser has discretion with respect to investment decisions made for its Clients. The Adviser provides investment advisory services to each Client based on the particular investment objectives, guidelines, restrictions, and other information provided by the Client and pursuant to an IMA with the Client.

The Adviser also provides advisory services with respect to 529 College Savings Plan accounts held by Clients through TD Ameritrade. The Adviser currently does not charge for such advice.

*Tailoring of Advisory Services*

The Adviser tailors its advisory services to the needs of its Clients. Clients may impose restrictions on investing in certain securities or types of securities.

*Wrap Fee Programs*

The Adviser manages all Client accounts on a wrap fee basis. From the Program Fee, the Adviser covers costs incurred in executing transactions for its Clients and keeps the remaining portion as compensation for providing advisory services.

**C. Performance Based Fees and Side-By-Side Management**

No performance-based compensation will be charged to Client accounts.

**D. Methods of Analysis, Investment Strategies and Risk of Loss**

The Adviser provides investment advisory services to Clients based on the investment objectives, guidelines, restrictions, and other information provided by Client in the Client’s IMA.

The overall objective in managing most Accounts is to seek capital appreciation by investing in securities consisting of equity and equity-related securities that are publicly traded on U.S. exchanges. The Adviser may invest in a wide range of securities and other financial instruments including, but not limited to, exchange listed and over-the-counter equity securities, preferred stocks, convertible securities, exchange-traded funds, warrants, rights, options, corporate and municipal debt securities and U.S. government securities. Accounts managed by the Adviser may own long positions and sell short positions.

The Adviser may utilize the following methods of security analysis:

- Charting – analysis performed using patterns to identify current trends and trend reversals

to forecast the direction of prices

- Fundamental – analysis performed on historical and present data, with the goal of making financial forecasts
- Technical – analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices

The Adviser may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchase – securities held at least a year
- Short Term Purchases – securities sold within a year
- Trading – securities sold within 30 days
- Short Sales – contracted sale of borrowed securities with an obligation to make the lender whole
- Margin Transaction (use of borrowed assets to purchase financial instruments)
- Options – contract for the purchase or sale of a security at a predetermined price during a specific period of time

An investment in securities involves risk. There can be no assurance that a Client's investment objectives will be achieved or that Clients will not lose all or substantially all of their investment.

#### **E. Voting Client Securities**

It is the Adviser's policy not to vote proxies with respect to proposals submitted for approval by shareholders of companies whose shares are held in Client accounts. Each Client will receive all proxy statements directly from TD Ameritrade and may contact the Adviser to discuss any such proxies or other corporate initiatives.

#### **Item 7 – Client Information provided to Portfolio Managers**

The Adviser does not provide Client information to any portfolio manager other than James Peters, the owner of the Adviser.

#### **Item 8 – Client Contact with Portfolio Managers**

There are no restrictions on the Clients' ability to contact and consult with the Adviser or the portfolio manager, James Peters.

## Item 9 – Additional Information

### A. Disciplinary Information

Neither the Adviser nor the Principal have been involved in any legal or disciplinary events that are material to a current or potential Client's evaluation of the Adviser's advisory business or the integrity of its management.

### B. Other Financial Industry Activities

#### *Affiliates Broker-Dealer Registration*

Neither the Adviser nor the Principal is registered as a broker-dealer or a registered representative of a broker-dealer, nor does either party have any pending application to register.

#### *Futures and Commodities Registration*

Neither the Adviser nor the Principal is registered as a futures commission merchant, commodity pool operator, commodity trading advisor, or associated party of any of those, nor does either party have any pending application to register as such.

#### *Related Persons*

The Principal is a practicing accountant at James R. Peters, CPA, an accounting firm that Mr. Peters owns and operates. Mr. Peters is also a licensed insurance agent for Blue Cross Blue Shield of Texas. Neither of these businesses creates a conflict of interest because Mr. Peters is not accepting new clients or customers for these businesses. Otherwise, neither the Adviser nor the Principal has any relationships that are material to the Adviser's advisory business or to its Clients with any related person of the types listed below:

- broker-dealer, municipal securities dealer, or government securities dealer or broker;
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund);
- other investment adviser or financial planner;
- futures commission merchant, commodity pool operator, or commodity trading advisor;
- banking or thrift institution;
- accountant or accounting firm;
- lawyer or law firm;
- insurance company or agency;
- pension consultant;
- real estate broker or dealer; or
- sponsor or syndicator of limited partnerships.



### *Conflicts of Interest*

The Adviser will not be compensated for recommending or selecting other investment advisers for its Clients. The Adviser also has no other business relationships with such advisers that will create a material conflict of interest.

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

The Adviser has a fiduciary responsibility to treat its Clients fairly and to avoid actual or potential conflicts of interest. The employees of the Adviser have an obligation to act solely in the best interests of its Clients and to make full and fair disclosure of all material facts, particularly where the Clients' interests may conflict with the interests of the Adviser or its employees.

### *Code of Ethics*

We have adopted a code of ethics that complies with Rule 206(4)-7 under the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”), and we will provide any Client or prospective Client with a copy of our Code of Ethics upon request.

The Code of Ethics contains a policy designed to prevent the misuse of material, nonpublic information.

### *Participation or Interest in Client Transactions*

The Adviser does not recommend to Clients, or buy or sell for Client accounts, securities in which it or its related persons have a material financial interest.

### *Personal Securities Investing*

The Adviser or the Principal may invest in the same securities in which a Client account invests. The Adviser has personal trading policies and procedures in place that address conflicts of interest with the Client accounts which may arise as a result of such investing.

### *Personal Securities Trading*

As explained above, the Adviser or the Principal may invest in the same securities as those in which a Client account invests; however, the Adviser has policies and procedures that address potential conflicts of interest. In addition, the Adviser will maintain a restricted list of securities in which the Adviser and its employees may not trade to avoid the misuse of material nonpublic information or confidential client information.

## **D. Review of Accounts**

The Principal reviews all Client accounts on an ongoing basis. All Clients are advised that it remains their responsibility to make the Adviser aware of any changes in their investment objectives or financial situation. All Clients (in person or via telephone) are encouraged to review financial planning issues, as applicable, investment objectives and account performance with the

Adviser on an annual basis.

*Frequency of Review*

The Adviser may conduct Account reviews upon the occurrence of a triggering event, such as a change in a Client's investment objectives or financial situation, market corrections, or Client request. Otherwise, such review will be done on at least an annual basis.

*Content and Frequency of Regular Reports*

Clients are provided, at least quarterly, with written transaction confirmation notices and regular unaudited summary account statements directly from their custodian. The Adviser may also provide a written period report summarizing account activity and performance. Clients are provided online access to their Account and may receive reports at their discretion from their own login to their Account.

**E. Client Referrals and Other Compensation**

*Other Compensation*

No person, other than the Clients, provides an economic benefit to the Adviser in exchange for providing investment advice or other advisory services to the Adviser's Clients.

*Client Referrals*

The Adviser does not intend on paying inside or outside parties for referring Clients to the Adviser. If the Adviser does so in the future, it will describe the arrangement in an amendment to this Wrap Fee Disclosure Brochure and will comply with all securities laws.

**F. Financial Information**

*Prepayment of Fees*

The Adviser does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

*Financial Condition*

There is no financial condition that is reasonably likely to impair the Adviser's ability to continue to meet its contractual commitments and to provide services to its Clients.

*Bankruptcy*

The Adviser has never been the subject of a bankruptcy petition.

**G. Selecting and Recommending Broker-Dealers**

The Adviser is authorized to make the following determinations in accordance with each Client's objectives and restrictions without obtaining prior consent from the Client: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; and (3) the executing broker or dealer for any transaction.

The Adviser participates in the institutional advisor program (the "*TD Program*") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc. ("*TD Ameritrade*"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. The Adviser receives some benefits from TD Ameritrade through its participation in the TD Program.

The Adviser recommends that Clients establish their Account(s) with TD Ameritrade based on its reputation, financial strength and stability. The Adviser believes that using this custodian allows for the Adviser to achieve best execution for its Clients, but there is no guarantee that this results in the lowest cost.

As disclosed above, the Adviser participates in the TD Program, and the Adviser may recommend TD Ameritrade to its Clients for custody and brokerage services. There is no direct link between the Adviser's participation in the TD Program and the investment advice it gives to its Clients, although the Adviser receives economic benefits through its participation in the TD Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and Account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Adviser by third-party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Adviser's related persons. Some of the products and services made available by TD Ameritrade through the TD Program may benefit the Adviser but may not benefit its Client accounts. These products or services may assist the Adviser in managing and administering Client accounts, including Accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Adviser manage and further develop its business enterprise. The benefits received by the Adviser or its personnel through participation in the TD Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to its Clients, at all times the Adviser aims to put the interests of its Clients first. However, Clients should be aware that the receipt of economic benefits by the Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of TD Ameritrade for custody and brokerage services.

## **Part 2B DISCLOSURE BROCHURE SUPPLEMENT**

**James Peters**

**Member, Portfolio Manager**

**Peters Wealth Management, LLC**

CRD#172203

4000 Diamond Creek Court

Carrollton, Texas 75010

Phone# 972-492-4920

<http://peterswealthmanagement.com/>

March 31, 2021

### **Item 1 – Cover Page**

This brochure supplemental provides information about James Peters that supplements Peters Wealth Management, LLC's brochure. You should have received a copy of that brochure. Please contact James Peters if you did not receive Peters Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about James Peters is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Educational Background and Business Experience**

James Peters is the sole member of Peters Wealth Management, LLC (the “*Adviser*”).

Mr. Peters was born in 1954. He attended Texas A&M University and graduated with a Bachelor in Business Administration degree in Accounting in 1975.

Mr. Peters currently holds the CERTIFIED FINANCIAL PLANNER™ (CFP®) and Certified Public Accountant (CPA) designations. Descriptions of these designations are below.

The CFP® program is administered by the Certified Financial Planner Board of Standards Inc. Those with the CFP® designation have demonstrated competency in all areas of finance related to financial planning. Candidates complete studies on over 100 topics, including stocks, bonds, taxes, insurance, retirement planning and estate planning. In addition to passing the CFP® certification examination, candidates must also complete qualifying work experience and agree to adhere to the CFP® Board's code of ethics and professional responsibility and financial planning standards.

Individuals who hold the CPA designation have successfully passed the Uniform Certified Public Accountant Examination and have met additional state education and experience requirements for certification as a CPA. The examination is set by the American Institute of Certified Public Accountants and administered by the National Association of State Boards of Accountancy.

Beginning in 2005 until forming the Adviser, James Peters was an Investment Adviser Representative at First Allied Advisory Services and a Registered Principal at First Allied Securities. Beginning in 1987, he formed James R. Peters, CPA, where he provides accounting services.

## **Item 3 – Disciplinary Information**

Mr. Peters has not been the subject of any material legal or disciplinary event that involved arbitration, civil litigation, any self-regulatory organization, or administrative proceeding for which he would be required to disclose.

## **Item 4 – Other Business Activities**

Mr. Peters spends less than 10% of his time acting in his capacity as a certified public accountant and as a licensed insurance agent.

## **Item 5 – Additional Compensation**

Mr. Peters does not receive economic benefits from any non-clients in exchange for advisory services.

## **Item 6 – Supervision**

As the Principal of the Adviser, Mr. Peters is responsible for the management of all of the Adviser's Accounts.