



This brochure provides information about the qualifications and business practices of Premier Wealth Advisers, LLC (hereinafter "PWA" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed below. 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 the Firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). PWA is an SEC registered investment adviser. Registration does not imply any level of skill or training.

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## Item 2. Material Changes

In this Item, PWA is required to discuss any material changes that have been made to the brochure since the last annual amendment filed March 27, 2024. The Firm and its supervised persons are no longer affiliated with the broker-dealer First Allied Securities.

**Item 3. Table of Contents**

Item 1. Cover Page ..... i

Item 2. Material Changes ..... ii

Item 3. Table of Contents .....iii

Item 4. Advisory Business ..... 4

Item 5. Fees and Compensation ..... 6

Item 6. Performance-Based Fees and Side-by-Side Management ..... 8

Item 7. Types of Clients..... 8

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss ..... 9

Item 9. Disciplinary Information ..... 11

Item 10. Other Financial Industry Activities and Affiliations ..... 11

Item 11. Code of Ethics ..... 12

Item 12. Brokerage Practices ..... 12

Item 13. Review of Accounts..... 15

Item 14. Client Referrals and Other Compensation ..... 16

Item 15. Custody ..... 16

Item 16. Investment Discretion..... 16

Item 17. Voting Client Securities ..... 17

Item 18. Financial Information ..... 17

## Item 4. Advisory Business

PWA offers clients a variety of advisory services, which include financial planning and investment management services on a stand-alone basis or on a combined basis as part of a comprehensive wealth management offering. PWA (and its predecessor entity, Premier Financial Advisors, Inc.) has been an independent registered investment adviser since 2000. Premier Financial Services, Inc., which is principally owned by John L. Diaz, is the sole owner of the Firm.

As of February 13, 2024, PWA had \$431,799,323 in assets under management, all of which are managed on a discretionary basis. Prior to the rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with PWA setting forth the relevant terms and conditions of the advisory relationship (the "Agreement").

While this brochure generally describes the business of PWA, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on PWA's behalf and is subject to the Firm's supervision or control.

### Financial Planning Services

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PWA offers clients a range of financial planning services, which may include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Asset Allocation
- Retirement Planning
- Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Needs Analysis
- Retirement Plan Analysis
- Charitable Giving
- Risk Management
- Distribution Planning

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement.

In performing these services, PWA is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. PWA may recommend the services of itself, its Supervised Persons in their individual capacities as insurance agents, and/or other professionals to implement its recommendations.

Clients are advised that a conflict of interest exists if PWA recommends its own services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by PWA under a financial planning engagement or to engage the services of any such recommended professionals, including PWA itself. Clients are advised that it remains their responsibility to promptly notify the Firm if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising PWA's previous recommendations and/or services.

### **Investment Management and Wealth Management Services**

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PWA manages client investment portfolios on a discretionary basis. In addition, PWA may provide clients with wealth management services which includes a broad range of comprehensive financial planning services as well as discretionary management of investment portfolios.

PWA primarily allocates client assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and to a lesser extent, various independent investment managers ("Independent Managers"), in accordance with the investment objectives of its individual clients. In addition, PWA may also recommend that clients who qualify as accredited investors, as defined by Rule 501 of the Securities Act of 1933, invest in privately placed securities, which include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios.

Clients may also engage PWA to advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts, and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, PWA directs or recommends the allocation of client assets among the various investment options available with the product. These assets are maintained at the underwriting insurance company or the custodian designated by the product's provider.

PWA tailors its advisory services to meet the needs of its individual clients and continuously seeks to ensure that client portfolios are managed in a manner consistent with their specific investment profiles. PWA consults with clients on an initial and ongoing basis to determine their specific risk tolerance, time horizon, liquidity constraints and other factors relevant to the management of their portfolios. Clients are advised to promptly notify PWA if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if PWA determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the firm's management efforts.

### **Use of Independent Managers**

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As mentioned above, PWA may select or recommend certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager are set forth in a separate written agreement between the designated Independent Manager and either PWA or the client. In addition to this brochure, clients also receive the written disclosure documents of the designated Independent Managers engaged to manage their assets. PWA does not receive compensation from any such Independent Managers.

PWA evaluates various information about the Independent Managers it chooses to manage client portfolios. The Firm reviews a variety of different resources, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves, and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposures. PWA also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other related factors.

PWA continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers by reviewing the summary account statements and trade confirmations produced by the Financial Institutions, as well as other performance information furnished by the Independent Managers and/or other third-party providers. PWA seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

## **Item 5. Fees and Compensation**

PWA offers its services on a fee basis, which include hourly and/or fixed fees, as well as fees based upon assets under management. Additionally, certain of PWA's Supervised Persons, in their individual capacities, offer securities brokerage services and insurance products under a separate commission arrangement.

### **Financial Planning Fees**

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PWA generally charges either a negotiable hourly or fixed fee to provide clients with stand-alone financial planning services. These fees are largely determined by the scope and complexity of the agreed upon services and range from \$200 to \$500 on an hourly basis and \$500 to \$15,000 on a fixed fee basis.

The specific terms and fee structure are negotiated in advance and set forth in the Agreement with PWA. Generally, PWA requires one-half of the financial planning fee payable upon execution of the Agreement and the balance due at the time the financial plan is delivered or the underlying services are rendered to

completion. If the client engages PWA for additional investment advisory services, PWA may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

**Investment Management and Wealth Management Fees**

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PWA provides investment management services for an annual fee based on the amount of assets under the Firm’s management. This fee varies depending upon the value of a client’s portfolio and the type of services rendered, based on the following fee schedule:

PORTFOLIO VALUE	ANNUAL FEE
\$100,000 - \$249,999	1.25 – 2.00%
\$250,000 - \$499,999	1.00 – 1.75%
\$500,000 - \$999,999	0.85 – 1.60%
\$1,000,000 - \$2,000,000	0.75 – 1.50%
\$2,000,000 to \$5,000,000	0.50 – 1.25%
\$5,000,000 to \$10,000,000	0.25 – 1.00%
\$10,000,000 to \$20,000,000	0.15 – 0.75%
More than \$20,000,000	0.10 – 0.50%

This fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by PWA on the last day of the previous billing period.

The Firm includes cash in a client’s account in determining the valuation for billing purposes. The Firm may, in its sole discretion, not include cash in determining the fee, especially where a client has a high percentage of cash for reasons other than the Firm's investment management decision. If assets are deposited or withdrawn from an account that exceed 10% of the existing portfolio value after the inception of a billing period, the fee payable with respect to such assets is prorated to reflect the change in portfolio value. For the initial term of an engagement, the fee is calculated on a pro rata basis. In the event the Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the unearned portion is refunded to the client, as appropriate.

**Fee Discretion**

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PWA, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention and pro bono activities.

### **Additional Fees and Expenses**

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In addition to the advisory fees paid to PWA, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

### **Fee Debit**

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Clients may grant PWA the authority to directly debit their accounts for payment of the Firm’s investment advisory fees. The Financial Institutions that act as qualified custodian for client accounts have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to PWA. Alternatively, clients may elect to have PWA send them an invoice for direct payment.

### **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time, subject to PWA’s right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client’s account. Clients may withdraw account assets on notice to PWA, subject to the usual and customary securities settlement procedures. However, PWA designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client’s investment objectives. PWA may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

PWA does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets).

## **Item 7. Types of Clients**

PWA primarily provides its services to individuals, corporations and other business entities.



### **No Minimum Account Requirements**

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PWA does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

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

### **Methods of Analysis**

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PWA utilizes a combination of fundamental and technical methods of analysis and further analyzes investments using an asset allocation strategy based on Modern Portfolio Theory ("MPT").

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For PWA, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that PWA will be able to accurately predict such a reoccurrence.

MPT is a mathematical based investment discipline that seeks to quantify expected portfolio returns in relation to corresponding portfolio risk. The basic premise of MPT is that the risk of a particular holding is to be assessed by comparing its price variations against those of the market portfolio. However, MPT disregards certain investment considerations and is based on a series of assumptions that may not necessarily reflect actual market conditions. As such, the factors for which MPT does not account (e.g., tax implications, regulatory constraints and brokerage costs) may negate the upside or add to the actual risk of a particular allocation. Nonetheless, PWA's investment process is structured in such a way to integrate those assumptions and real life considerations for which MPT analytics do not account.

### **Investment Strategies**

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Based on its methods of analysis outlined above, the Firm customizes investment recommendations to each client's specific situation and constructs custom allocation portfolios that seek to achieve the specific return and risk goals of each client. To achieve this, PWA combines multiple asset classes in varying

proportions to create a diversified portfolio intended to achieve a desired rate of return with the least possible amount of risk for that level of return.

The Firm's investment management strategy strikes a delicate balance among three primary ingredients: the science of managing risk and return (i.e., Modern Portfolio Theory), the art associated with experience and insight, and the reality of managing emotions such as greed and fear. Nowhere is this balance more evident than in the process of designing and executing an investment strategy—whether it is in the steps taken to create an asset allocation, the process for selecting investments, or the considerations for tax-efficient and cost-effective rebalancing.

PWA combines passive management with active strategies. Passive strategies offer the opportunity to deliver exposure to the capital markets at a low cost. Active strategies offer the potential to tap into flexible Independent Managers with the goal of achieving higher returns than those experienced with a passive representation in the markets. By utilizing extensive qualitative and quantitative research, PWA attempts to identify state-of-the-art asset allocation ideas and talented active managers. The Firm then constructs diversified portfolios specifically geared towards each client's goals.

PWA seeks to strike that balance for its clients by utilizing a core/satellite investment strategy that combines index and active investments. At its essence, the core/satellite investment strategy combines aspects of traditional and passive (e.g. core) investment management with active and tactical (e.g. satellite) investment management. Unlike traditional core/satellite strategies which rely exclusively on actively managed products as both the core and satellite, PWA's investment strategy combines index and active investments across asset classes, seeking to create a balance between a strong foundation based on diversified asset allocation and opportunities for risk-controlled, enhanced performance.

## **Risks of Loss**

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### *General Risk of Loss*

Investing in securities involves the risk of loss. Clients should be prepared to bear potential losses.

### *Market Risks*

The profitability of a significant portion of PWA's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that PWA will be able to predict those price movements accurately.

### *Mutual Funds and Exchange-Traded Funds (ETFs)*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains,

as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### *Use of Independent Managers*

PWA may recommend the use of Independent Managers. In these situations, PWA continues to do ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, PWA generally does not have the ability to monitor or supervise the Independent Managers on a daily basis.

## **Item 9. Disciplinary Information**

PWA has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management.

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

### **Receipt of Insurance Commission**

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Certain of PWA's Supervised Persons, in their individual capacities, are also licensed insurance agents. When appropriate, these Supervised Persons, in their individual capacities, may recommend the purchase of certain insurance products to advisory clients on a fully-disclosed commission basis. A conflict of interest exists to the extent that PWA recommends the purchase of insurance products where its Supervised Persons receive insurance commissions or other additional compensation. As a result PWA has

procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of its clients.

## Item 11. Code of Ethics

PWA and persons associated with PWA (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with the Firm’s policies and procedures.

PWA has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws (“Code of Ethics”). PWA’s Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by the Firm or any of its associated persons. The Code of Ethics also requires that certain of PWA’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Access Person may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade (as defined below in Item 12) with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by Access Persons to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated above.

Clients and prospective clients may contact PWA to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

PWA generally recommends that clients utilize the brokerage and clearing services of Charles Schwab & Co., Inc. (“Schwab”) for investment management accounts.

Factors which PWA considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab enable PWA to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

The commissions paid by PWA's clients comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where PWA determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. PWA seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

PWA periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Transactions for each client will be affected independently, unless PWA decides to purchase or sell the same securities for several clients at approximately the same time. PWA may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among PWA's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among PWA's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that PWA determines to aggregate client orders for the purchase or sale of securities, including securities in which PWA's Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. PWA does not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, PWA

may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### **Software and Support Provided by Financial Institutions**

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PWA may receive from Schwab, without cost to PWA, computer software and related systems support, which allow PWA better monitor client accounts maintained at Schwab. PWA may receive the software and related support without cost because PWA renders investment management services to clients that maintain assets at Schwab. The software and support is not provided in connection with securities transactions of clients (i.e. not “soft dollars”). The software and related systems support may benefit PWA but not its clients directly. In fulfilling its duties to its clients, PWA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that PWA’s receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence PWA’s choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, PWA may receive the following benefits from Schwab through its Schwab Institutional division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the Schwab Institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain amount of the advisor’s clients’ assets are maintained in accounts at Schwab. 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 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 the Firm other products and services that benefit the Firm but may not benefit its clients’ accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of PWA by Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist PWA 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), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, 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 the Firm's accounts, including accounts not maintained at Schwab. Schwab also makes available to PWA other services intended to help the Firm 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 the Firm by independent third parties. Schwab 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 the Firm. While, as a fiduciary, PWA endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

## **Item 13. Review of Accounts**

### **Account Reviews**

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For those clients to whom PWA provides investment management services, PWA monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom PWA provides financial planning, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of PWA's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with PWA and to keep PWA informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **Account Statements and Reports**

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. On a quarterly basis or as otherwise requested, clients may also receive written or electronic reports from PWA and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with those they receive from PWA or an outside service provider.

Those clients to whom PWA provides financial planning services will receive reports from PWA summarizing its analysis and conclusions as requested by the client or as otherwise agreed to in writing by PWA.

## **Item 14. Client Referrals and Other Compensation**

### **Client Referrals**

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PWA does not currently provide compensation to any third-party solicitors for client referrals.

### **Other Compensation**

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PWA economic benefits from Schwab. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12

## **Item 15. Custody**

PWA's Agreement and/or the separate agreement with any Financial Institution may authorize PWA through such Financial Institution to debit the client's account for the amount of PWA's fee and to directly remit that management fee to PWA in accordance with applicable custody rules.

The Financial Institutions recommended by PWA have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to PWA. In addition, as discussed in Item 13, PWA also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from PWA.

### **Surprise Independent Examination**

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In addition, the Firm is deemed to have custody over clients' cash, bank accounts or securities (for reasons other than those discussed above). The Firm is required to engage an independent accounting Firm to perform a surprise annual examination of those assets and accounts over which it maintains custody. Any related opinions issued by an independent accounting Firm are filed with the SEC and are publicly available on the SEC's Investment Adviser Public Disclosure website. The Firm does not have physical custody of client funds as they are maintained with an independent qualified custodian.

## **Item 16. Investment Discretion**

PWA is given the authority to exercise discretion on behalf of clients. PWA is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to



seek the client's consent. PWA is given this authority through a power-of-attorney included in the agreement between PWA and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). PWA takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

### **Item 17. Voting Client Securities**

PWA is required to disclose if it accepts authority to vote client securities. PWA does not vote client securities on behalf of its clients. Clients receive proxies directly from the Financial Institutions.

### **Item 18. Financial Information**

PWA is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.



Prepared by:

