



Private Wealth Management Solutions, LLC  
Registered Investment Advisor

## Form ADV Part 2 Brochure

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This Form ADV Part 2A brochure provides information about the qualifications and business practices of Private Wealth Management Solutions, LLC. If you have any questions about the contents of this brochure, please contact us at telephone 425-896-7617 or [bradley@pwmsolutions.net](mailto:bradley@pwmsolutions.net).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Private Wealth Management Solutions, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our CRD number is 167564. Private Wealth Management Solutions, LLC is a registered investment advisor. Registration as an investment advisor does not imply any certain level of skill or training.

## Item 2 - Material Changes

*This section of the brochure helps you quickly identify material changes from the last annual update.*

Private Wealth Management Solutions LLC is required to advise clients and prospective clients of any material changes to this Form ADV Part 2A Brochure ("Brochure") from our last annual update dated February 10, 2023

Clients will receive an annual summary of any material changes to this and subsequent Brochures no later than April 30, which is 120 days after our fiscal year-end. At that time, we will offer either a full copy of our most current Brochure or details related to all material changes with an offer to provide a full copy of this Brochure. We will also promptly provide ongoing disclosure information about material changes as necessary.

Please note that we do not have to provide this information separately to a client or prospective client who has not received a previous version of our Brochure.

Material Changes: TD Ameritrade and Charles Schwab & Co., Inc. finalized their consolidation in late 2023. We have removed all references to TD Ameritrade and updated the details relating to Charles Schwab & Co., Inc. Please see Item 12.

We have added some information related to Key Man Risk in Item 8 to reflect an agreement we have in place with another investment adviser who can step in as needed if something were to happen to Mr. Van Vechten on either a short- or long-term basis.

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## Item 4 - Advisory Business

*This section of the brochure tells you about our business, including ownership, and a description of the services we offer.*

Private Wealth Management Solutions is referred to in this document as “Private Wealth Management Solutions”, “the Company”, “us”, “we”, or “our”. In this document we refer to current and prospective clients of Private Wealth Management Solutions as “you”, “client”, or “your”. Private Wealth Management Solutions was created and registered as an investment advisor in 2013 and is owned by Bradley Van Vechten.

### Types of Advisory Services

#### Investment Supervisory Services

Clients enter into a written Investment Advisory Agreement, where Private Wealth Management Solutions and our investment advisor representatives provide asset management services on a continuous and ongoing basis guided by the individual needs of the client. Using the information provided by you, the investment advice provided to you is tailored to your individual situation. We regularly inquire about, and you are responsible for providing, information about your investment goals, time horizon, and risk tolerance. These investment supervisory services are generally not provided to all your holdings or net worth but rather only to assets specifically designated by you and agreed to by us as managed assets.

#### Selection of Other Advisors

In some situations, we recommend that all or a portion of a client’s investment portfolio be actively managed by another investment advisor(s). These other advisors are reviewed and recommended by us to provide clients with expertise in a particular investment style, market segment or investment strategy. We consider your individual circumstances, needs, and objectives when recommending other advisors. The other advisors managing portions of your portfolio will charge a fee for these services and these fees are distinct, separate, and in addition to, the fees we charge. A detailed description of the other advisors’ services and fees is provided in their disclosure brochure. Our role is to oversee these other advisors to ensure they perform their services as expected.

#### Financial Planning

Some but not all clients are provided with a written financial plan. If you receive a written plan, it makes an attempt to provide you with an estimate of future growth in your net-worth and income. All tax sensitive reports are provided to you as estimates of future income and estate tax liabilities. These tax sensitive reports are based on current federal and applicable state laws regarding taxation. Federal and State Tax Laws are subject to change and interpretation. All reports, financial statement projections, tax liability estimates, and analysis are intended exclusively for your use in developing and implementing your financial plan. In view of this limited purpose, un-audited data is collected and used to produce your financial plan, therefore, any report, financial statement or analysis is to be considered un-audited as well. Accordingly, you should understand that such financial statements cannot be used as a representation of wealth, to obtain credit, or

for any other purpose, other than developing a financial plan. Private Wealth Management Solutions will not audit (examine), review or compile such statements and accordingly, Private Wealth Management Solutions will not express an opinion or other form of assurance on these financial statements, including the reasonableness of assumptions and other data on which any financial statements or projections are based.

There will be differences between projected estimates and the actual results of the plan because events and circumstances frequently do not occur as expected. Investment returns in particular are most volatile and the probability of estimates coming close to actual results decline with a reduction in the investment-holding period. Private Wealth Management Solutions does not in any way represent or imply that the investment returns will be similar to estimates projected in your financial plan. The estimates reflect the historical returns of the various asset classes, and the past performance of these asset classes does not guarantee that future results of these asset classes or your investments will be similar. Private Wealth Management Solutions uses a proactive investment strategy; therefore, the actual returns of your portfolio will differ from the financial plan projections. The financial plan is highly dependent on certain economic assumptions about the future. Therefore, the client should establish familiarity with historical data regarding key assumptions such as inflation and investment rates of return, as well as an understanding of how significantly these assumptions affect the results of our analyses. We will not express any assurance as to the accuracy or reasonableness of your specific data and your assumptions. You are ultimately responsible for the assumptions and personal data upon which our procedures and projections are based. The financial plan assumptions and reports are primarily a tool to alert clients to certain possibilities. The reports are not intended to nor do they provide any guaranty about future events including an individual's investment returns. The implementation of the plan is solely your responsibility.

The financial plans provided for some of our clients do not address all potential aspects of financial planning. Typically, our plans address retirement planning, college funding, and estate planning. Risk management issues such as life, health, disability, and long-term care insurance are not always addressed in every financial plan, and you are encouraged to ask specifically about these issues. Our financial plans are not intended to nor should they be considered to be advice about law or your legal rights and responsibilities, accounting or tax planning, the avoidance of tax penalties or interest or preparation of your tax return. You are encouraged to seek competent legal and tax advice before implementing any recommendation made in a written financial plan. You are not obligated to act upon any investment recommendation we might make in a financial plan. If you do act upon any recommendation, you are not obligated to affect that transaction through anyone affiliated with us. Our financial plans might contain a recommendation to use us as your investment advisor. We have a financial incentive for you to become a client of ours. That financial incentive creates a conflict of interest between you and us.

### **Types of Investments Used**

We consider many different types of securities when formulating the investment advice we give to you. If you come to us with existing investments, we evaluate them with respect to

your financial goals, embedded capital gains, risk tolerance, and investment time horizon. Depending upon your situation, your account(s) managed by us may contain individual stocks, corporate and/or government bonds, mutual funds, or exchange traded funds (“ETFs”). In some situations, we may recommend that real estate be part of your investment portfolio.

### Options

In some, but not all cases, Private Wealth Management Solutions may use option contracts on securities in your managed portfolio. Option strategies are not used in all client portfolios. The use of option strategies is not always successful at increasing returns or reducing losses. The use of options adds risk and cost to the portfolio. Option strategies can diminish account performance.

### **Tailored Services and Investment Restrictions**

We attempt to tailor your investment portfolio to your situation as you have described it to us. This is why it is so important that you let us know about changes to your financial situation, goals, or investment time horizon. You may impose restrictions on investing in certain securities or types of securities. You must clearly identify these restrictions in writing to us. Please note however, we are not able to accept restrictions related to the underlying holdings of mutual funds or ETFs we may recommend.

### **Important Information for Retirement Investors**

When we recommend that you rollover retirement assets or transfer existing retirement assets (such as a 401(k) or an IRA) to our management, we have an inherent conflict of interest. This is because we will generally earn additional revenue when we manage more assets. In making the recommendation, however, we do so only after determining that the recommendation is in your best interest. Further, in making any recommendation to transfer or rollover retirement assets, we do so as a “fiduciary,” as that term is defined in ERISA or the Internal Revenue Code, or both. We also acknowledge we are a fiduciary under ERISA or the Internal Revenue Code with respect to our ongoing investment advisory recommendations and discretionary asset management services, as described in the advisory agreement we execute with you. To the extent we provide non-fiduciary services to you, those will be described in the advisory agreement.

### **Assets Under Management**

As of January 17, 2024, we managed \$35,649,169 of client assets, all on a discretionary basis.

## Item 5 - Fees and Compensation

*This section of the brochure describes how we are compensated for the services we offer.*

### Compensation Methodology and Rates

#### Assets Under Management

Clients are charged for our asset management services based on a percentage of the assets being managed. The following fee schedule is our standard fee schedule for investment supervisory services. Your specific annual fee arrangement will be described in the written Investment Advisory Agreement entered into between Private Wealth Management Solutions and you. Investment advisory fees charged by us are negotiable at our sole discretion. All clients do not pay the same fee. A lower fee for a comparable service may be available from other sources.

Assets Under Management	Annual Rates
\$0 to \$1,000,000	1.00%
\$1,000,001 to \$5,000,000	.75%
>\$5,000,001	.65%

Once an “assets under management” level has been reached, the breakpoint fee is applied to all assets. The annual fee for our services is billed monthly, in advance, based on the value of the account at the end of the month. If the management agreement does not span the entire monthly billing period, the fee will be prorated based on the number of days the account is open during the billing period. Your account custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account. We urge you to review your account statements to verify the accuracy of the fee calculation as the account custodian will not determine whether the fee has been properly calculated. See Brokerage Practices (Item 12) in this brochure for more information about your account custodian(s). In the advisory agreement you enter into with us you authorize us to deduct our fee directly from your account. We will send you a statement describing our fee, including the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee, and the amount of assets under management on which the fee was based.

You may terminate the Investment Advisory Agreement without fee or penalty by providing written notice to Private Wealth Management Solutions within five (5) business days from your execution of the agreement. Thereafter, either party may terminate the Investment Advisory Agreement by providing written notice. Any unearned fees collected in advance of the services being performed will be returned to you on a *pro rata* basis.

#### Hourly Fees

We may perform services for you where the price of the service is based upon the amount of time to complete the service multiplied by an hourly rate. These hourly based fee services might include financial planning services or non-investment advisory services such as researching historic cost basis of legacy investments. The rate per hour depends upon the level of complexity of the service and experience and expertise of the personnel



used to do the work. This negotiable rate would normally not exceed \$200 per hour. The tasks and services to be performed are described in an engagement letter that is signed by you and Private Wealth Management Solutions that also includes the hourly rate, an estimate of time to complete the project, and the procedure for refund or partial billing if the engagement is terminated before completion. You are required to pay \$500 of the estimated fee in advance before we begin work on your plan.

#### Valuation of Publicly Traded Securities

Publicly traded securities in your account(s) managed by us are held at the custodian that we recommend but is ultimately chosen by you. We use the securities valuation provided by the independent qualified custodian for reporting and billing purposes. Publicly traded securities are usually valued as of the end of business on the last trading day of the calendar month.

#### Third Party Advisor Fees

Private Wealth Management Solutions has entered into agreements with various third-party advisors. We offer clients various types of programs sponsored by these third-party advisors. We may help you select a particular third-party advisor's service or program. The third-party advisor provides investment advice regarding the portfolio under their management. We provide investment advice regarding the selection and replacement of third-party advisors.

Each third-party advisor provides differing levels of service to clients. The fees you will pay depend upon the size and complexity of your investment portfolio and the services provided. The third-party advisors provide day to day portfolio management services to client portfolios. These services are provided through a platform where Unified Account Management can be performed. Unified Account Management is a platform where multiple third-party managers can provide day to day management, strategy overlay, and reporting services for a single fee. We oversee and manage the Unified Account Management account and charge an advisory fee of .85% in addition to the cost of the platform and third-party managers.

#### **How Clients Pay Advisory Fees**

Fees are generally deducted directly from your account. If you desire this service, you must provide your qualified account custodian with written authorization to have fees deducted from your account and paid to Private Wealth Management Solutions. As indicated above, we will send you an invoice each time our fee is deducted from your account.

#### **Other Types of Fees and Expenses**

In addition to the investment advisory fees you pay to us, you will pay other fees to your custodian or broker-dealer for special services selected by you or Private Wealth Management Solutions. These fees may include:

- periodic distribution fees
- certificate delivery fees

- reorganization fees
- account transfer fees (outbound)
- returned check fees
- international security transfer fees
- overnight mail and check fees
- Rule 144 transfer fees
- transfer agent fees

This list is not meant to be all inclusive. Any fee on a special service incurred by the client will be fully disclosed. Please refer to Item 12 of this document for an explanation of our brokerage practices.

#### Investment Company Fees

Investment company funds (e.g., mutual funds or ETFs) that are held by you will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, distribution fees, and/or shareholder service fees to broker-dealers that offer investment company funds to their clients. These fees affect the net asset value of the fund shares and are indirectly borne by fund shareholders such as you.

Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account. While it is not the general practice of Private Wealth Management Solutions to sell client's securities in a period that would generate a redemption fee we might do so if we believe the sale is in your best interests, or if fund shares must be redeemed to pay fees from the account.

A complete explanation of these charges is contained in the Prospectus and Statement of Additional Information for each investment company fund. You can get a prospectus through the investment company website, by telephone, or by mail.

#### **Commission Based Compensation**

Our investment advisor representatives do not receive any commission-based compensation while providing investment advisory services to you.

#### **Additional Compensation**

Private Wealth Management Solutions' and our Investment Advisor Representative's compensation comes solely from the investment advisory fees we charge.

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

*This section of the brochure explains any performance-based fees we may charge you for and how they may be different from other clients' charges.*

Private Wealth Management Solutions does not charge fees that are based upon a share of capital gains or capital appreciation of client assets. We provide investment advisory services to other clients in addition to you. Not all clients receive the same investment advice, nor do they pay the same fee. We will always act in the best interests of each of our clients.

## **Item 7 - Types of Clients**

*This section of the brochure describes who we generally provide our services to.*

### Individuals

Private Wealth Management Solutions provides advisory services to a variety of types of clients including individuals, families, trusts, individual pension plan accounts, and retirement plan trustees. We currently impose a minimum relationship size of \$250,000.

### Pension Plans

Private Wealth Management Solutions provides advisory services to pension plans. These services include recommendations to the plan which are then approved by the pension plan sponsor. In some cases, we will serve as a discretionary advisor to the plan. You are encouraged to ask your plan sponsor what services we are providing for the plan.

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

*This section of the brochure explains how we formulate our investment advice and manage client assets.*

### **Methods of Analysis**

Each portfolio referred to and managed by a third-party advisor is designed to meet a particular investment goal that the third-party advisor has determined is suitable for your circumstances. Once the appropriate portfolio has been determined by the third-party advisor, the portfolio will be continuously managed based on the portfolio's goal, rather than on each client's individual needs.

We do not perform substantive due diligence or investigations of third-party advisors. Our knowledge of the third-party advisors comes from publicly available sources and in some cases interviews with the third-party advisors or their representatives. We rely heavily upon the due diligence performed by the platform sponsor, Envestnet, Inc. as part of our

evaluation of third-party advisors. Envestnet, Inc. relies upon Capital Market Consultants, Inc. an unaffiliated third-party manager to perform some of this due diligence.

As part of our analysis of individual investments, we use a method called modern portfolio theory. Modern portfolio theory ("MPT") is a theory of investment that attempts to maximize an investment portfolio's expected return for a given amount of portfolio risk, when risk is defined as volatility of the value of the investment portfolio, or to minimize risk for a given level of expected return. We attempt to do this by carefully choosing the proportions of various assets in an investment portfolio.

MPT is a mathematical formulation of the concept of diversification in investing, with the aim of selecting an assortment of investment assets that has collectively lower risk than any individual asset. MPT models an asset's return as a normally distributed function (or more generally as an elliptically distributed random variable), defines risk as the standard deviation of return, and models a portfolio as a weighted combination of assets so that the return of a portfolio is the weighted combination of the assets' returns. By combining different assets whose returns are not perfectly positively correlated, MPT seeks to reduce the total variance of the portfolio return. MPT also assumes that investors are rational, markets are efficient, and that the future performance of investments will have some similarity to their historical performance. These assumptions are not guaranteed and might not come to pass. Past performance might not be indicative of future performance.

We analyze an investment by examining its publicly available financial statements or reports, its management, competitive advantages, competitors, and markets. We attempt to identify investments that are selling for less than their intrinsic worth. Our fundamental analysis method is based upon the assumption that markets may misprice an investment in the short run but that the "correct" price will eventually be reached.

## **Investment Strategies**

### Tactical Asset Allocation

As part of our investment strategy, we use a method called Tactical Asset Allocation. Tactical Asset Allocation is a dynamic investment strategy that adjusts a portfolio's asset allocation. Our goal in using Tactical Asset Allocation is to improve the risk-adjusted returns of an investment portfolio when compared with other investment strategies. We modify our asset allocation advice according to our opinion of the valuation of the markets in which our clients are invested. We attempt to adjust our asset allocation advice to overweight or focus on a market or sector of the market that we feel will perform better than others. We strive to buy investments with the goal of holding them as long-term investments, but we might recommend you sell a particular investment if, in our opinion, it is no longer in your best interest to hold.

## Risks

### General Risks to Investing

Investing is not without risk and involves the risk of loss of principal which you should be prepared to bear. Both Private Wealth Management Solutions and third-party advisors that might provide the day-to-day management of your account try to reduce risk by diversifying your portfolio across multiple asset classes.

Despite this strategy, historical evidence clearly shows that every asset class has experienced severe declines in value—sometimes sustained over many years—throughout several periods of time in history. In addition, the benefits of diversification decline if asset classes become more correlated.

As with any investment, you could lose all, or part of your investments managed by the third-party advisor we introduce you to.

### Risks Associated with Financial Planning

Risks associated with the financial planning process include the possibility that the investment performance, interest rate or inflation assumptions used in the development of your financial plan turn out to be materially different than the actual future investment performance, interest rates or inflation. Differences between the assumptions used in your plan and actual events can materially affect the results of your financial plan over long periods of time. While we base our assumptions on historical information, you must acknowledge that past performance or events might not be indicative of the future.

### Asset Class Risk

Securities in your portfolio(s) or in underlying investments such as mutual funds may underperform in comparison to the general securities markets or other asset classes.

### Equity Securities Risk

Equity securities are subject to changes in value that may be attributable to market perception of a particular issuer or general stock market fluctuations that affect all issuers. Investments in equity securities may be more volatile than other types of investments.

Environmental, Social, Governance (“ESG”) Risk: Corporate governance practices, the risks of environmental damage or disasters (whether connected to an issuer’s own practices or independent of them, such as extreme weather events), and the risks of social factors, such as racial and gender discrimination, are wide-ranging and increasingly understood to affect investment decisions and results. We do not generally invest with an eye toward ESG factors on their own merit, but rather because these factors can affect the financial performance of companies and, in turn, the performance of those companies’ securities. We may include ESG factors we believe are important in evaluating companies, based on the industry, the company itself, and emerging consensus on areas that generally merit attention. ESG factors are in many ways subjective. We may not identify all applicable ESG concerns, and our subjective judgment of the most important factors may be

incorrect. Further, in evaluating these issues, we must often rely on corporate self-reporting, which is inherently biased. Third-party ratings and reports are increasingly available, though they are, to varying degrees, subject to the same limitations with respect to subjective judgment and reliance on corporate self-reporting.

#### Growth Securities Risk

Growth companies are companies whose earnings growth potential appears to be greater than the market, in general, and whose revenue growth is expected to continue over an extended period. Stocks of growth companies or “growth securities” have market values that may be more volatile than those of other types of investments. Growth securities typically do not pay a dividend.

#### Issuer Risk

Your account’s performance depends on the performance of individual securities in which your account invests. Any issuer may perform poorly, causing the value of its securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline.

#### Management Risk

The performance of your account is subject to the risk that our investment management strategy may not produce the intended results.

#### Market Risk

Your account could lose money over short periods due to short-term market movements and over longer periods during market downturns. The value of a security may decline due to general market conditions, economic trends, or events that are not specifically related to the issuer of the security or to factors that affect a particular industry or industries. During a general downturn in the securities markets, multiple asset classes may be negatively affected.

#### Passive Investment Risk

Private Wealth Management Solutions may use a passive investment strategy that is not actively managed where we do not attempt to take defensive positions in declining markets.

#### Key Man Risk

We are a small firm with one principal executive who is also our Chief Investment Officer (CIO). This fact leads to “key man risk,” or the risk that something could happen to Bradley Van Vechten that negatively affects your portfolio. We mitigate this risk by having an agreement in place with Moser Wealth Advisors, an unaffiliated third-party investment adviser, to offer to continue to service client accounts. In circumstances that would trigger this agreement, and through the appropriate authority as reflected in our client advisory agreement, we will share all relevant client information with Moser Wealth Advisors, who

will contact you for permission to take over the management of your account(s) temporarily or permanently.

### Interest Rate Risk

An increase in interest rates may cause the value of fixed income securities and funds that hold these securities to decline in value. Securities with longer durations tend to be more sensitive to interest rate changes, usually making them more volatile than securities with shorter durations. To the extent that your account is invested in fixed income securities with longer-term durations or funds holding these securities, rising interest rates may cause the value of these investments to decline significantly.

## **Item 9 - Disciplinary Information**

*This section of the brochure lists legal and disciplinary information for Private Wealth Management Solutions, its owners, and management team.*

Neither Private Wealth Management Solutions nor any of our owners or management team members has been involved in any civil or criminal investment-related events that must be disclosed by SEC Registered Advisors in this document.

However, state regulators require that all formal investigations and disciplinary actions taken by regulators, customer disputes, certain criminal charges and/or convictions, as well as any investment advisor representatives' financial disclosures, such as bankruptcies and unpaid judgments or liens, be filed with FINRA. If this type of information would be material to your decision to do business with Private Wealth Management Solutions, please refer to the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for more information about the investment advisor representatives' you are evaluating.

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

*This section of the brochure describes other financial services industry affiliations we may have that could present a conflict of interest with you.*

Private Wealth Management Solutions does not have any material business affiliations within the financial services industry. Neither Private Wealth Management Solutions nor its management persons:

- Are registered or have a registration pending to register as a broker-dealer or a registered representative of a broker-dealer, investment company or other pooled investment vehicle, unit investment trust private investment company or "hedge fund".
- We are not affiliated or related in any way with any other investment advisors.
- We are not affiliated with any bank or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or any sponsor or syndicator of limited partnerships.

- Are registered or have a registration pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

We strive to avoid material business affiliations that would create a conflict of interest between us and our clients. As described in Item 5 of this document we might recommend other non-related, non-affiliated, advisors to provide services to your account. Before recommending another advisor, we confirm that they are properly licensed or registered as an investment advisor.

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

*This section of the brochure describes our code of ethics, adopted pursuant to SEC rule 204A-1, and how we deal with client and related person trading.*

### **Code of Ethics**

We have adopted a code of ethics designed to prevent and detect violations of securities rules by our employees and affiliated persons. Our controls in this area focus upon securities transactions made by our employees that have access to material information about the trading of Private Wealth Management Solutions. We will provide a copy of our code of ethics to clients or prospective clients upon request.

### **Material Financial Interest and Personal Trading**

From time to time the interests of the principals and employees of Private Wealth Management Solutions may coincide with yours and other clients. Individual securities may be bought, held, or sold by a principal or employee of Private Wealth Management Solutions that is also recommended to or held by you or another client. Buying the same investments as our clients presents a conflict of interest with clients. To address this risk our Investment Advisor Representative will purchase or sell securities after clients if s/he trades the same security on the same day. If potential insider information is inadvertently provided or learned by a principal or employee, it is our policy to strictly prohibit its use.

It is the policy of Private Wealth Management Solutions to permit the firm, its employees, and investment advisor representatives to buy, sell, and hold the same securities that the investment advisor representatives also recommend to clients. It is acknowledged and understood that we perform investment services for different types of clients with varying investment goals, risk profiles, and time horizons. As such, the investment advice offered to you may differ from other clients and investments made by our investment advisor representatives. While we always will act in your best interest, we have no obligation to recommend for purchase or sale a security that Private Wealth Management Solutions, its principals, affiliates, employees, or investment advisor representatives may purchase, sell, or hold. When a decision is made to liquidate a security from all applicable accounts, priority will always be given to client orders before those of a related or associated person



to Private Wealth Management Solutions. In some cases, the trades of the clients and advisory personnel will be combined in a single block trade, and all trades will receive the average price. We have procedures for dealing with insider trading, employee-related accounts, “front running” and other issues that may present a potential conflict when buy/sell recommendations are made. These procedures include reviewing employee security transactions and holdings to eliminate, to the extent possible, the adverse effects of potential conflicts of interest on clients.

In the unlikely event that Private Wealth Management Solutions or a related person of ours has a material financial interest in securities that we recommend to clients, we will provide written disclosure to the clients before the recommendation that describes the financial interest, the financial incentive, and the conflict of interest presented by the ownership of the securities. Clients always have the ability to impose reasonable restrictions on the securities we recommend. However, we are unable to accept restrictions related to the underlying securities holdings within a particular mutual fund or ETF.

## **Item 12 - Brokerage Practices**

*This section of the brochure describes how we recommend broker-dealers for client transactions.*

### **Factors Considered When Recommending Charles Schwab & Co., Inc. as Your Qualified Custodian**

Private Wealth Management Solutions does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC, as the qualified custodian for your assets.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open an account for you, although we may assist you in doing so.

#### How We Select Brokers/Custodians

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

- Combination of transaction execution services and asset custody services (generally

- without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, etc.)
- Availability of investment research and tools that help us make investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us

### **Schwab's Brokerage and Custody Costs**

Schwab generally does not charge clients separate for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab is also compensated by earning interest on the uninvested cash in Schwab's Cash Features Program or on any margin balance maintained in Schwab accounts.

Most trades, including many mutual funds and ETFs, no longer incur commissions or transaction fees, though there are exceptions. Schwab discloses its fees and costs to clients, and we take those costs into account when executing transactions on your behalf. Schwab charges you a flat dollar amount as "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities purchased, or the funds from the securities sold, are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

As disclosed above, certain mutual funds and ETFs are also made available for no transaction fee; as a result many confirmations show "no commission" for a particular transaction. Typically, the custodian (but not PWMS) earns additional remuneration from such services as recordkeeping, administration, and platform fees, for the funds and ETFs on their no-transaction fee lists. This additional revenue to the custodian will tend to increase the internal expenses of the fund or ETF. PWMS selects investments based on our assessment of a number of factors, including liquidity, asset exposure, reasonable fees,

effective management, and low execution cost. Where we choose a no-transaction fee fund or ETF, it is because it has met our criteria in all applicable categories.

## **Products and Services Available to PWMS from Schwab**

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like PWMS. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), some of which are not typically available to Schwab retail customers. Certain retail investors, though, may be able to get institutional brokerage services from Schwab without going through us or another advisor. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to ask for them) and at no charge to us. Following is a more detailed description of Schwab's support services.

### **Schwab's Services that Benefit Clients**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. These services generally benefit you and your account.

### **Schwab's Services that do not Directly Benefit Clients**

Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements).
- Facilitate trade execution and the allocation of blocked orders for multiple accounts;
- Provide pricing and other market data.
- Facilitate payment of our fees directly from your account, if authorized in your advisory agreement.
- Assist with back-office functions, recordkeeping, and client reporting.

### **Schwab's Services that Generally Benefit Only Us**

Schwab also offers other services intended to help us manage and further develop our business enterprise, a number of which we make no use of (such as access to employee benefits providers and marketing consulting) but which are available. The services we do tend to make use of include:

- Consulting on technology and business needs.
- Consulting on legal and related compliance needs.
- Educational conferences and events.
- Publications and conferences on practice management, business management, and industry data.
- Occasional business entertainment of our personnel.

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them, and we don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody, though the benefits we obtain, and the operational efficiencies available to us, create an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This incentive creates a conflict of interest. We believe, however, that our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services, and not their services that benefit only us.

### Brokerage for Client Referrals

Private Wealth Management Solutions does not have any agreements in place where securities transactions are directed to particular broker-dealers in exchange for client referrals.

### Directed Brokerage

If you direct Private Wealth Management Solutions to execute securities transaction at a broker-dealer other than one we use for our other clients you will forgo any benefit from savings on execution costs that we may have obtained through our negotiation of volume discounts or batched orders. In directing the use of a particular broker-dealer, it should be understood that we will not have authority to negotiate commissions or obtain volume discounts and best execution may not be achieved. You may incur higher commissions, other transactions costs, greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case had you used a broker-dealer we prefer. By directing brokerage, we might not be able to obtain favorable execution and it might cost you more money in transaction costs.

### Aggregated Orders

When we decide to purchase or sell a specific security for multiple clients at the same time, we will consider aggregating, or combining the orders. This procedure will result in a single

average price for all client transactions in the aggregated order. The account custodian charges for each transaction as if it were placed individually.

#### Allocation of Thinly Traded Securities

Private Wealth Management Solutions may allocate securities among accounts when enough of a particular security or securities cannot be purchased or sold on a given day at a desired price. In this event, we will allocate the shares actually purchased or sold on pro rata basis. We may remove small allocations from the process if we believe it would not be in the best interest of our client(s).

#### Trade Errors Policy

From time to time, we may make an error in submitting a trade order on your behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of your account. If an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If a loss occurs Private Wealth Management Solutions will pay for the loss. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

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

*This section of the brochure describes how often client accounts are reviewed and by whom.*

### **Reviews**

Private Wealth Management Solutions reviews the securities held in its clients' investment supervisory accounts on an ongoing basis. The reviews are conducted by Bradley Van Vechten. Your accounts are reviewed at least quarterly for proper asset allocation to assure they comply with your investment objectives and mandates.

### **Reports**

Private Wealth Management Solutions does not prepare or send written reports to all clients. We have arranged for your independent qualified account custodian, Charles Schwab & Co., Inc. to prepare and distribute account statements directly to you on no less than a quarterly basis. These account statements describe all activity in the clients' accounts including account holdings, transactions, and investment advisory fees deducted from the account.

## **Item 14 - Client Referrals and Other Compensation (Item 14)**

*This section of the brochure discloses our arrangements with people who are compensated for referring us business.*

## **Referral Relationships**

Private Wealth Management Solutions has not entered into any agreements with third parties to give or receive referrals for compensation.

## **Item 15 - Custody**

*This section of the brochure encourages you to check the statements sent to you by your account custodian to ensure the accuracy of the fee calculation.*

When you become a client of ours you have the option to authorize us to deduct periodic investment advisory fees directly from one or more of your accounts managed by Private Wealth Management Solutions. These deductions from your account are shown on the periodic statements sent by your qualified custodian directly to you. You are encouraged to review these statements carefully and compare the amounts on the custodian statements with any statements we send, and the fee schedule outlined in your Investment Advisory Agreement. Again, we post your PWMS fees on the Morningstar portal every month.

## **Item 16 - Investment Discretion**

*This section of the brochure discloses the power we have to make trades in your account.*

In the investment management agreement you enter into with Private Wealth Management Solutions you grant a limited power of attorney to select, purchase, or sell securities without obtaining your specific consent within the account(s) you have under our management. The limited powers of attorney are granted in the written Investment Advisory Agreement entered into between us. There are no restrictions upon the securities that may be purchased, sold, or held in your account unless you provide these restrictions to us in writing. However, as noted in Items 5 and 11 above, we are unable to accept investment restrictions related to the underlying holdings of any mutual funds or ETFs we may recommend.

## **Item 17 - Voting Client Securities**

*This section of the brochure explains our proxy voting policy and your ability to get proxy voting information from us.*

Private Wealth Management Solutions does not vote, have authority to, and does not vote proxies on behalf of, any advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your accounts. Third party managers we engage on your behalf may retain the authority to vote proxies in accounts they manage for you, subject to their stated policies.

## Item 18 - Financial Information

*This section of the brochure is where investment advisors that collect more than \$500 in fees per client and six months or more in advance would include a balance sheet.*

Private Wealth Management Solutions is not aware of any circumstance that is reasonably likely to impair our ability to meet contractual commitments to you or our other clients. We do not require pre-payment of investment advisory fees of greater than \$500 and more than six months in advance.

## Item 19 - Requirements for State-Registered Advisers

*This section is where state registered advisors disclose any further information required by the state that has not been previously disclosed.*

Bradley Van Vechten, CFP®, CLU®, ChFC®, CIMA®, AIF®

Bradley Van Vechten is the principal executive of Private Wealth Management Solutions.

### Educational Background and Business Experience

Bradley Van Vechten was born in 1955. He attended San Jose State University where he earned a Bachelor of Arts degree in Business Administration. He also earned a certificate in Personal Financial Planning from the University of California at Berkeley.

### CFP®, (Certified Financial Planner)

Bradley Van Vechten is a CFP® (Certified Financial Planner). The CFP designation is issued by the Certified Financial Planner Board of Standards, Inc. A CFP candidate must have a bachelor's degree or higher from an accredited college or university, and 3 years full-time personal financial planning experience. The candidate must complete a CFP-board registered program or hold one of the following: CPA, ChFC, CLU, CFA, Ph.D. in business or economics, Doctor of Business Administration or an Attorney's License. CFP candidates must pass the CFP Certification Examinations. To maintain the designation s/he must attend at least 30 hours of continuing education every two years.

### CLU® (Chartered Life Underwriter®):

Bradley Van Vechten is also a Chartered Life Underwriter®. Individuals holding the CLU designation have completed eight or more college-level courses. Topics for required courses include insurance and financial planning, life insurance law, estate planning, and planning for business owners and professionals. CLU® designees must meet experience and continuing education requirements and must adhere to an ethical standard. The mark is awarded by the American College.

### ChFC (Chartered Financial Consultant)

Bradley Van Vechten is also a ChFC (Chartered Financial Consultant). The ChFC designation is issued by The American College. A ChFC candidate must have 3 years of full-time business experience within the five years preceding the awarding of the designation. The

candidate must complete six core and two elective courses and pass a final proctored exam for each course. To maintain the designation s/he must obtain at least 30 continuing education credits every two years.

#### CIMA® (Certified Investment Management Analyst®)

The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, pass an online Certification Examination, and have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements. CIMA designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

The CIMA certification has earned ANSI® (American National Standards Institute) accreditation under the personnel certification program. The American National Standards Institute, or ANSI, is a private non-profit organization that facilitates standardization and conformity assessment activities in the United States. CIMA is the first financial services credential to meet this international standard for personnel certification.

#### AIF® (Accredited Investment Fiduciary®)

Bradley Van Vechten has been awarded the Accredited Investment Fiduciary® (AIF®) designation from the Center for Fiduciary Studies®, the standards-setting body for Fi360. The AIF designation signifies specialized knowledge of fiduciary responsibility and the ability to implement policies and procedures that meet a defined standard of care. The designation is the culmination of a rigorous training program, which includes a comprehensive, closed-book final examination under the supervision of a proctor, and agreement to abide by the Center's Code of Ethics and Conduct Standards. On an ongoing basis, completion of continuing education and adherence to the Code of Ethics and Conduct Standards are required to maintain the AIF designation.

#### Business Experience

- Private Wealth Management Solutions, 2013 to present, Owner & Investment Advisor Representative
- Charles Schwab & Co., Inc. 2011-2013, Registered Representative and Investment Advisor Representative
- Bradley Van Vechten, CFP. Independent planner affiliated with LPL Financial, 2001-2011, Registered Representative and Investment Advisor Representative
- US Bancorp Piper Jaffray, 1999 -2001, Registered Representative and Investment Advisor Representative



- Union Bank of California Investment Services, 1997-1999, Registered Representative
- WestAmerica Bank/ Liberty Securities, 1995-1997, Registered Representative
- IDS/American Express Financial Advisors, 1994-1995, Registered Representative

#### Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. Bradley Van Vechten has not been involved in any civil or criminal investment-related events that must be disclosed by a Registered Investment Advisor Representative in this document and has not been the subject of a bankruptcy petition.

However, state regulators require that all formal investigations and disciplinary actions taken by regulators, customer disputes, certain criminal charges and/or convictions, as well as any investment advisor representatives' financial disclosures, such as bankruptcies and unpaid judgments or liens, be filed with FINRA. If this type of information would be material to your decision to do business with Private Wealth Management Solutions, please refer to SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for more information about the Bradley Van Vechten.

Bradley Van Vechten has not been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

Mr. Van Vechten has not been the subject of a bankruptcy petition.

#### Other Business Activities

Bradley Van Vechten may provide advice about matters other than securities. This advice might include general guidance about risk and insurance. Mr. Van Vechten is not an insurance agent and does not sell insurance products.

### Supervision

We are a small investment advisor, with a limited number of principals and employees. Because of our size, traditional internal control and oversight structures are not viable because a separation of duties among different people is not possible. We maintain records that are intended to demonstrate our compliance with securities laws, rules, and our policies.

We believe that this Form ADV Part 2 discloses all material conflicts of interest regarding Private Wealth Management Solutions and Mr. Van Vechten that could be reasonably expected to impair the rendering of unbiased and objective advice.

## **Privacy Statement**

*We, like other professionals who advise on personal financial matters, are required by federal law to inform our clients of our policies regarding the privacy of client information.*

In the course of providing our clients with certain advice, we may receive nonpublic personal financial information such as financial statements, account statements, and tax returns from our clients, their accountants and other representatives. All nonpublic personal information that we receive regarding our clients or former clients is held in strict confidence in accordance with our professional obligations and is not released to people outside Private Wealth Management Solutions, except with your consent, as required by law, or to explain our actions to professional organizations that we are members of. We may share certain information with third parties who assist us in providing our services to you (such as administrative and client service functions) or marketing services, as permitted by law, subject to the obligation of these third parties not to use or disclose such information for any other purpose.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information from unauthorized disclosure, we maintain physical, electronic, and procedural safeguards.