

# PFG Private Wealth Management, LLC Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of PFG Private Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (813) 286-7776 or by email at: [info@pfgprivatewealth.com](mailto:info@pfgprivatewealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about PFG Private Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). PFG Private Wealth Management, LLC's CRD number is: 282301.*



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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of PFG Private Wealth Management, LLC on January 29, 2020 are described below. Material changes relate to PFG Private Wealth Management, LLC's policies, practices or conflicts of interests.

PFG Private Wealth Management, LLC applied for and received a PPP loan in response to the COVID-19 pandemic. Due to the uncertainty surrounding the outbreak, PFG Private Wealth Management, LLC believed that this was a prudent action for our company to take in order to ensure our company and most importantly our clients would be well positioned for any unexpected financial impact. (Item 18.B)

PFG Private Wealth Management, LLC found that we did not need the funds from the PPP loan and has therefore returned the loan to the SBA so that more companies that need the funds might be able to acquire the needed capital. (Item 18.B)

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

PFG Private Wealth Management, LLC (hereinafter "PFGPWM") is a Limited Liability Company organized in the State of Florida.

The firm was formed in November 2015, and the principal owners are Jeffrey Douglas Perry and Robert Montgomery Perry.

### B. Types of Advisory Services

#### *Portfolio Management Services*

PFGPWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. PFGPWM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

PFGPWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. PFGPWM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

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

### *Selection of Other Advisers*

PFGPWM may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, PFGPWM will always ensure those other advisers are properly licensed or registered as an investment adviser. PFGPWM then makes investments with a third-party investment adviser by referring the client to the third-party adviser. PFGPWM will not review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### *Pension Consulting Services*

PFGPWM offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants.

### *Financial Planning*

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### Services Limited to Specific Types of Investments

PFGPWM generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), commodities and non-U.S. securities, although PFGPWM primarily recommends mutual funds and ETFs to a majority of its clients. PFGPWM may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

PFGPWM offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent PFGPWM from properly servicing the client account, or if the restrictions would require PFGPWM to deviate from its standard suite of services, PFGPWM reserves the right to end the relationship.

## **D. Wrap Fee Programs**

PFGPWM participates in wrap fee programs, which are investment programs where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. PFGPWM manages the investments in the wrap

fee program, but does not manage those wrap fee accounts any differently than non-wrap fee accounts. Fees paid under the wrap fee program will be given to PFGPWM as a management fee.

### **E. Assets Under Management**

PFGPWM has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$ 163,607,845	\$ 5,672,772	December 2019

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### *Portfolio Management Fees (Non-Wrap Fee)*

The following fee schedule is a tiered fee schedule.

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
\$0 - \$250,000	1.45%
\$250,001 - \$500,000	1.00%
\$500,001 - \$750,000	0.90%
\$750,001 - \$1,000,000	0.55%
\$1,000,001 - And Up	0.50%

PFGPWM uses the value of the account as of the last business day of the prior billing period for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. At the option of the firm a fixed percentage or dollar amount may be charged in certain circumstances. Clients may terminate the agreement without penalty for a full refund of PFGPWM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

### ***Selection of Other Advisers Fees***

PFGPWM will receive its standard fee on top of the fee paid to the third party adviser. This relationship will be memorialized in each contract between PFGPWM and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. These fees are negotiable.

### ***Pension Consulting Services Fees***

#### **Fixed Fees**

The rate for creating client pension consulting plans is between \$150 and \$35,000.

#### **Hourly Fees**

The hourly fee for these services is between \$150 and \$500.

#### **Asset-Based Fees**

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
\$0 - \$1,000,000	0.50%
\$1,000,001 - \$2,500,000	0.35%
\$2,500,001 - \$15,000,000	0.25%
\$15,000,001 - And Up	0.20%

Rather than “tiered” billing, PFGPWM employs “single rate” billing, meaning that a single rate is charged based on the highest (most favorable) assets under management tranche that the client’s aggregate accounts qualifies for in accordance with the fee schedule above. PFGPWM uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the pension consulting agreement. Clients may terminate the agreement without penalty for a full refund of PFGPWM's fees within five business days of signing the pension consulting agreement. Thereafter, clients may terminate the pension consulting agreement generally with 30 days' written notice.

## ***Financial Planning Fees***

### **Fixed Fees**

The negotiated fixed rate for creating client financial plans is between \$150 and \$15,000.

### **Hourly Fees**

The negotiated hourly fee for these services is between \$150 and \$500.

Clients may terminate the agreement without penalty for a full refund of PFGPWM's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Asset-Based Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

### ***Payment of Asset-Based Pension Consulting Fees***

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

### ***Payment of Fixed or Hourly Pension Consulting Services Fees***

Pension consulting fees are paid via check, in arrears upon completion.

### ***Payment of Selection of Other Advisers Fees***

Fees for selection of Brinker Capital as third-party adviser are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in arrears.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check or wire, in arrears upon completion.

### **C. Client Responsibility For Third Party Fees**

Clients not participating in the wrap fee program are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by PFGPWM. Please see Item 12 of this brochure regarding broker/custodian.

For clients participating in the wrap fee program, PFGPWM will wrap third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). PFGPWM will charge clients a single fee, and pay all transaction fees using the fee collected from the client. However, clients are still responsible for all other account fees, including but not limited to annual IRA fees to the custodian, transition fees if the account is moved to/from another broker, or mutual fund fees.

### **D. Prepayment of Fees**

PFGPWM collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

### **E. Outside Compensation For the Sale of Securities to Clients**

Nicholas R. McDevitt, Andrew Jared Whitten, Joao Augusto Teixeira, Robert Montgomery Perry, Jeffrey Douglas Perry in their outside business activities (see Item 10 below) are licensed to accept compensation for the sale of investment products to PFGPWM clients.

- This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which the supervised persons receives compensation, PFGPWM will document the conflict of interest in the client file and inform the client of the conflict of interest.
- Clients always have the right to decide whether to purchase PFGPWM-recommended products and, if purchasing, have the right to purchase those products through other brokers or agents that are not affiliated with PFGPWM.
- Commissions are not PFGPWM's primary source of compensation for advisory services.

- Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

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

## **Item 7: Types of Clients**

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

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Corporations or Business Entities
- ❖ Pension Plans

There is no account minimum for any of PFGPWM's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### *Methods of Analysis*

PFGPWM's methods of analysis include fundamental analysis, technical analysis, quantitative analysis and modern portfolio theory.

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

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

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

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

## *Investment Strategies*

PFGPWM uses long term trading and short term trading.

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

### **B. Material Risks Involved**

#### *Methods of Analysis*

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

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

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

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

#### *Investment Strategies*

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

**Short term trading** risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment

performance, particularly through increased brokerage and other transaction costs and taxes.

**Selection of Other Advisers:** PFGPWM's selection process cannot ensure that money managers will perform as desired and PFGPWM will have no control over the day-to-day operations of any of its selected money managers. PFGPWM would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

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

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

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

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

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

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the

possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

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

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

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

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

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

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

There are no criminal or civil actions to report.

## **B. Administrative Proceedings**

There are no administrative proceedings to report.

## **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

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

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

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

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

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

Jeffrey Douglas Perry is a licensed insurance agent with Perry Financial Group, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PFGPWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PFGPWM in connection with such individual's activities outside of PFGPWM.

Robert Montgomery Perry is a licensed insurance agent with Perry Financial Group, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PFGPWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PFGPWM in connection with such individual's activities outside of PFGPWM.

Joao Augusto Teixeira is an independent licensed insurance agent with Teixeira Financial Group, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PFGPWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PFGPWM in connection with such individual's activities outside of PFGPWM.

Andrew Jared Whitten is a licensed insurance agent with Perry Financial Group, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PFGPWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PFGPWM in connection with such individual's activities outside of PFGPWM.

Nicholas R. McDevitt is a licensed insurance agent. From time to time, he will offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. PFG Private Wealth Management, LLC always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PFG Private Wealth Management, LLC in their capacity as a licensed insurance agent.

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

PFGPWM may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Clients will pay PFGPWM its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between PFGPWM and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. PFGPWM will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. PFGPWM will ensure that all recommended advisers are licensed or notice filed in the states in which PFGPWM is recommending them to clients.

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

### **A. Code of Ethics**

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

### **B. Recommendations Involving Material Financial Interests**

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

### **C. Investing Personal Money in the Same Securities as Clients**

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

Additionally, representatives of PFGPWM may use strategies in their own personal accounts (e.g., options) that differ from the strategies and investments PFGPWM uses for its clients. PFGPWM will ensure that this does not negatively affect client accounts and the firm, consistent with its fiduciary duty, will put its clients' best interest first.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of PFGPWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of PFGPWM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, PFGPWM will never engage

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

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on PFGPWM's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and PFGPWM may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in PFGPWM's research efforts. PFGPWM will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

PFGPWM will require clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

#### ***1. Research and Other Soft Dollar Benefits***

While PFGPWM has no formal soft dollars program in which soft dollars are used to pay for third party services, PFGPWM may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). PFGPWM may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and PFGPWM does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. PFGPWM benefits by not having to produce or pay for the research, products or services, and PFGPWM will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that PFGPWM's acceptance of soft dollar benefits may result in higher commissions charged to the client.

PFGPWM participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. PFGPWM receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, PFGPWM participates in TD Ameritrade's institutional advisor program and PFGPWM may recommend TD Ameritrade to clients for custody and

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

## ***2. Brokerage for Client Referrals***

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

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

PFGPWM will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If PFGPWM buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, PFGPWM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that

accounts are not systematically disadvantaged by this policy. PFGPWM would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Review of Accounts**

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

All client accounts for PFGPWM's advisory services provided on an ongoing basis are reviewed at least quarterly by Jeffrey D Perry, Robert Montgomery Perry, Joao Augusto Teixeira Jr., Andrew J. Whitten, or Nicholas R Mcdevitt with regard to clients' respective investment policies and risk tolerance levels. All accounts at PFGPWM are assigned to these reviewers.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Jeffrey D Perry, Robert Montgomery Perry, Joao Augusto Teixeira Jr., Andrew J. Whitten or Nicholas R. Mcdevitt. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

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

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, PFGPWM's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

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

Each financial planning client will receive the financial plan upon completion.

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

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

Other than soft dollar benefits discussed in Item 12 above, PFGPWM does not receive any economic benefit directly or indirectly from any third party for advice rendered to its clients. There is no direct link between PFGPWM's participation in the TD Ameritrade Program and the investment advice it gives to its clients.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**

PFGPWM may, via written arrangement, retain third parties to act as solicitors for PFGPWM's investment management services. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law. PFGPWM will ensure each solicitor is properly registered in all appropriate jurisdictions.

## **Item 15: Custody**

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

Custody is also disclosed in Form ADV because PFGPWM has authority to transfer money from client account(s), which constitutes a standing letter or authorization (SLOA). Accordingly, PFGPWM will follow the safeguards specified by the SEC rather than undergo an annual audit.

## **Item 16: Investment Discretion**

PFGPWM provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, PFGPWM generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

## **Item 17: Voting Client Securities (Proxy Voting)**

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

## **Item 18: Financial Information**

### **A. Balance Sheet**

PFGPWM neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

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

PFG Private Wealth Management, LLC applied for and received a PPP loan in response to the COVID-19 pandemic. Due to the uncertainty surrounding the outbreak, PFG Private Wealth Management, LLC believed that this was a prudent action for our company to take in order to ensure our company and most importantly our clients would be well positioned for any unexpected financial impact.

PFG Private Wealth Management, LLC found that we did not need the funds from the PPP loan and has therefore returned the loan to the SBA so that more companies that need the funds might be able to acquire the needed capital.

### **C. Bankruptcy Petitions in Previous Ten Years**

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