

## Item 1 – Cover Page

PBMares Wealth Management LLC

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June 6, 2024

This Brochure provides information about the qualifications and business practices of PBMares Wealth Management LLC (“PBMares Wealth Management”). If you have any questions about the contents of this Brochure, please contact us at (757) 229-7180. 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.

PBMares Wealth Management is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about PBMares Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for PBMares Wealth Management is 116218. The SEC’s web site also provides information about any persons affiliated with PBMares Wealth Management who are registered, or are required to be registered, as investment adviser representatives of PBMares Wealth Management.

## Item 2 – Material Changes

Item 2 of this Brochure will discuss only specific material changes that have been made to the Brochure since the last annual update filed on February 26, 2024, and provide clients with a summary of such changes.

In this update, we have added language to “Fees and Compensation” (Item 5) to include the client authorization of fees being paid from non-qualified accounts.

We have updated Item 15 Custody to include further information regarding directed fees and Standing Letters of Authorization. (May 28, 2024)

We are no longer an Affiliated Broker Dealer. PBMares Capital Markets, LLC is no longer a registered broker dealer and has terminated the registration with FINRA as of 04/15/2024. (May 28, 2024)

We updated the Assets Under Management information of Item 4 in accordance with the filing of our Annual Updating Amendment on February 26, 2024.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Christine Gravelle at (757) 941-0811 or by email at [cgravelle@pbmareswealth.com](mailto:cgravelle@pbmareswealth.com).

(Brochure Date: 06/06/2024)

(Date of Most Recent Annual Updating Amendment: 02/26/2024)

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## **Item 4 – Advisory Business**

PBMares Wealth Management, an investment advisor registered with the United States Securities and Exchange Commission (“SEC”), has been providing advisory services since 1999 (prior to 2013, operating as Witt Mares Financial Vision). PBMares Wealth Management is the combination of Witt Mares Financial Vision and PBGH Financial Advisors, Inc.

As of December 31, 2023, PBMares Wealth Management managed \$1,135,974,758 on a discretionary basis, \$1,160,212 on a non-discretionary basis and advised on \$ \$198,428,764 of self-directed retirement account assets.

PBMares Wealth Management is wholly owned by the accounting firm PBMares, LLP, a limited liability partnership that provides audit, tax, and consulting services.

### **Investment Advisory Services:**

PBMares Wealth Management manages investment portfolios for individuals/high-net worth individuals, qualified retirement plans, charitable organizations, trusts and small businesses. PBMares Wealth Management works with clients to determine the client's specific investment objectives and investor risk profile. These objectives are used to develop a written investment policy statement (IPS) that describes an asset allocation that conforms to a client's risk tolerance and expected rate of return requirements.

PBMares Wealth Management uses investment and portfolio allocation software to evaluate alternative portfolio designs. PBMares Wealth Management evaluates the client's existing investments with respect to the client's investment policy statement. PBMares Wealth Management works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by PBMares Wealth Management. PBMares Wealth Management will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold regular review meetings with the client regarding the account as necessary.

PBMares Wealth Management will typically create a portfolio of no-load mutual funds and exchange-traded funds (“ETFs”) and may use model portfolios if the models match the client's investment policy. PBMares Wealth Management will allocate the client's assets among various investments taking into consideration the client's unique ability, need, and willingness to take risk.

PBMares Wealth Management primarily recommends portfolios consisting of mutual funds and ETFs that follow a passive and/or evidence-based investment philosophy generally having low holdings turnover. As a result, the fund expenses are generally lower than fees and expenses charged by other types of funds. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These securities are generally part of the client's investment holdings prior to working with PBMares Wealth Management or were purchased at a client's discretion.

PBMares Wealth Management manages portfolios on a discretionary basis and in limited circumstances, on a non-discretionary basis. Clients may impose reasonable restrictions on PBMares Wealth Management's discretionary authority, including restrictions on the types of securities in which PBMares Wealth Management invests client's assets and on specific securities, which the client may believe to be appropriate so long as we consent to those restrictions in writing.

PBMares Wealth Management may also recommend fixed income portfolios to clients which consist of managed accounts of individual bonds. Complete, customized, laddered fixed income portfolios generally require a minimum level of assets allocated to fixed income. Low-cost, passively managed fixed income mutual funds are typically used for smaller allocated amounts. PBMares Wealth Management will request discretionary authority from advisory clients to manage fixed income portfolios, including the discretion to retain an independent, third-party fixed income manager.

In certain circumstances, as determined by PBMares Wealth Management and the client, PBMares Wealth Management may engage DFA as an Independent Manager to manage portfolios of individual securities for clients. In these instances, DFA's fees are separate, distinct, and in addition to PBMares Wealth Management's advisory fees.

In addition to managing the client's investment portfolio, PBMares Wealth Management may also provide wealth management services, which are more holistic services than only investment management and include financial planning, retirement planning, charitable gift planning, college planning, estate planning, risk management analysis, assistance in the establishment of and counsel on retirement plans.

#### **Employee Benefit Retirement Plan Services:**

PBMares Wealth Management also provides advisory services to participant-directed retirement plans through third-party administration services, which are online bundled service providers offering an opportunity for plan sponsors to provide their participants with daily account access, valuation, and investment education.

PBMares Wealth Management will analyze the plan's current investment platform and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. PBMares Wealth Management will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

PBMares Wealth Management will recommend changes in the plan's investment vehicles as may be appropriate from time to time. PBMares Wealth Management generally will review the plan's investment vehicles and investment policy as necessary. Additionally, PBMares Wealth Management will also act as the 3(38) investment manager for certain retirement plan accounts. As such, for those clients we will have the discretion to direct the investment of the funds accordingly.

PBMares Wealth Management will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

### **Financial Planning & Consulting Services:**

PBMares Wealth Management also provides advice in the form of a Financial Plan. Clients purchasing this service may receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information and financial goals.
- Education: Education IRAs, financial aid, state savings plans, grants and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.
- Tax and Cash Flow: Income tax and spending analysis and planning for past, current and future years. PBMares Wealth Management will illustrate the impact of various investments on a client's current income tax and future tax liability.
- Death and Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- Investments: Analysis of investment alternatives and their effect on a client's portfolio.
- Estate: Living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.
- Insurance: Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

PBMares Wealth Management gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed and a written report is prepared. Should a client choose to implement the recommendations contained in the plan, PBMares Wealth Management suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

### **Item 5 – Fees and Compensation**

Clients will be charged advisory fees in advance at the beginning of each calendar quarter based upon the value (market value based on independent third-party sources or fair market value in the absence of market value). Client account balances on which PBMares Wealth Management calculates fees may vary

from account custodial statements based on independent asset valuations and other accounting variances, including mechanisms for including accrued interest in account statements or timing of reporting of the client's account(s) at the end of the previous quarter. New accounts may be charged a pro-rated fee for the remainder of the quarter in which the account is incepted. Advisory fees shall apply to accrued interest and shall apply to cash balances unless negotiated or agreed upon otherwise.

PBMares Wealth Management will request authority from the client to receive quarterly payments directly from the client's account held by an independent qualified custodian. Clients must provide written limited authorization to PBMares Wealth Management to withdraw fees from account(s). To the extent that investment advisory fees are directly debited from a custodial account with margin agreement, the debiting of fees may create or increase the client's margin loan balance in the custodial account.

PBMares Wealth Management will request authorization from the client to directly bill non-qualified accounts for fees from qualified accounts that may be held away and/or have cash deficiencies.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. On the termination of the agreement, PBMares Wealth Management will have no obligation to recommend or take any action with regard to the securities, cash or other investments in a client's account.

PBMares Wealth Management's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investments and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to PBMares Wealth Management for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. Such charges, fees and commissions are exclusive of and in addition to PBMares Wealth Management's fee, and PBMares Wealth Management shall not receive any portion of these commissions, fees, and costs.

In certain circumstances, fees and account minimums will be negotiable based on family relations, firm affiliations or individual circumstances. Associates of PBMares Wealth Management are not charged fees on either their personal accounts or accounts of immediate family members.

### **Independent Manager Fees**

As stated above in [Item 4](#), PBMares Wealth Management may decide (in coordination with the client) to implement DFA as an Independent Manager for the management of portfolios of individual securities. In these instances, DFA will charge its own separate and distinct fee from PBMares Wealth Management's

advisory fees, which are noted below. Clients grant DFA authority at the client's custodian for DFA to directly debit client accounts for DFA's fee. Additionally, clients are required to sign an advisory agreement addendum with PBMares Wealth Management which outlines these additional fees.

## **Advisory Fees**

### **Investment Advisory Services:**

The annual fee for our wealth management or asset management services is calculated as a percentage of assets under management/advisement and typically range from 0.35% to 1.50% per year, depending on the size and complexity of the client's accounts as well as services required, specifically negotiated fees and historically grandfathered fee schedules. Fees will typically be tiered, and the fee is calculated by applying a different fee rate to each corresponding range of account balance of the portfolio. The specific fee schedule charged by PBMares Wealth Management is established in a client's written agreement with PBMares Wealth Management. Advisory fees shall apply to cash balances unless negotiated or agreed upon otherwise. In certain limited circumstances, a client may also receive income tax preparation, tax planning and/or tax compliance services as part of their advisory fee. As agreed between Advisor and Client, individual Accounts for immediate family members are aggregated, and the fee is charged based on the total value of all family members' Accounts.

For certain clients, PBMares Wealth Management charges an advisory fee for services provided to the held away accounts mentioned above in Item 4. This fee is deducted from an account under PBMares Wealth's management or paid directly by the client on a quarterly basis. Fees are typically based on the assets within these held away accounts and are charged according to the valuation of the accounts at the close of the quarter as valued by the account custodian. Fees will typically be based on the client's full portfolio value, including held away accounts.

### **Employee Benefit Retirement Plan Services:**

The annual fee for PBMares Wealth Management's plan services is typically charged on a quarterly basis and is based on a percentage of assets within the plan and typically ranges from 0.20% to 1.00% per year or on a fixed-fee basis. The annual fee will be based upon a number of factors including the size of the plan, the number of participants, the number of locations as well as the method of employee education and the services required. Fees will typically be tiered, and the fee is calculated by applying a different fee rate to each corresponding range of the plan's account balance. Fees are generally payable in advance in quarterly installments during the first month of each calendar quarter. However, fees for some Employee Benefit Retirement Plan Service clients will be billed in arrears in quarterly or monthly installments based on the selected record keeper's billing practices. Whether billed in advance or in arrears, annual asset-based fees are based on the value of total plan assets on the last day of the month preceding the billing month. The fee for the quarter in which the agreement becomes effective will be prorated.

PBMares Wealth Management generally requires a minimum annual fee of ranging from \$2,500 to \$3,000 for Employee Benefit Retirement Plan Services clients. The specific minimum fee is stated in the client's



agreement.

### **Retirement Account Clients:**

PBMares Wealth Management is a fiduciary under ERISA with respect to investment management services and investment advice provided to ERISA Clients, including ERISA plan participants. PBMares Wealth Management is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRA owners and IRAs. As such, PBMares Wealth Management is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption.

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted; (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted; (iii) roll over to an Individual Retirement Account ("IRA"); or (iv) cash out the account value. A conflict of interest arises when PBMares Wealth Management makes recommendations about ERISA plan distributions and rollovers ("rollover recommendations") if it results in PBMares Wealth Management receiving compensation that it would not have received absent the recommendation, for example, fees for advising a rollover IRA. PBMares Wealth Management will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client. No client is under any obligation to roll over ERISA plan or IRA assets to an account advised or managed by PBMares Wealth Management. When PBMares Wealth Management makes a rollover recommendation, it is fiduciary advice under both the Investment Advisers Act of 1940 and ERISA. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA where PBMares Wealth Management receives compensation from the rollover IRA that it would not have received absent the recommendation. In that circumstance, PBMares Wealth Management will comply with the conditions of exceptions to the prohibited transaction rules (e.g., an applicable prohibited transaction exemption such as PTE 2020-02 or non-enforcement policy).

### **Financial Planning & Consulting Services:**

PBMares Wealth Management's Financial Planning fee is determined based on the nature of the services provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. Our financial fees may be calculated and charged on a fixed fee basis, depending on the specific arrangement reached with each client, or on an hourly basis, ranging from \$295-\$415 per hour. The length of time it will take to provide the Financial Plan will depend on each client's personal situation.

PBMares Wealth Management may reduce or waive the hourly or fixed fee if a financial planning client additionally chooses to engage PBMares Wealth Management for Investment Management services. PBMares Wealth Management will, upon client's request, continue to be available at the same rates

disclosed above to provide assistance in the implementation of the client's financial plan, evaluation or analysis on specific securities or advice on investment related issues. Annual updates may be provided upon contracting with the client. Hourly rates are billed on a monthly basis.

#### Investment Consultations:

Investment consultations are offered involving investment analysis, recommendations, reviews of mutual fund prospectuses, or other limited engagements. Fees will be charged at a rate of \$295-\$415 per hour. Fees are billed on a monthly basis.

PBMares Wealth Management and PBMares, LLP partners, principals, and employees, as well as their family member, may be charged a discounted fee for investment advisory services, financial planning, or other wealth management consulting services.

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

PBMares Wealth Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

### **Item 7 – Types of Clients**

PBMares Wealth Management provides services to individuals, qualified retirement plans, trusts and small businesses.

PBMares Wealth Management generally requires a minimum annual fee of ranging from \$2,500 to \$3,000 for Employee Benefit Retirement Plan Services clients. This minimum fee may be negotiable under certain circumstances.

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

#### Methods of Analysis and Investment Strategy

PBMares Wealth Management's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. PBMares Wealth Management's investment approach is firmly rooted in the belief that markets are efficient over time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. PBMares Wealth Management recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds and ETFs. PBMares Wealth Management selects or recommends to

client portfolios of securities, principally broadly traded open end mutual funds, ETFs and conservative fixed income securities, to implement this investment strategy.

Although all investments involve risk, PBMares Wealth Management's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients, the investment directly in high quality fixed income securities to represent the fixed income class allocation. PBMares Wealth Management's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that PBMares Wealth Management's strategy seeks to minimize.

In the implementation of investment plans, PBMares Wealth Management therefore primarily uses mutual funds, ETFs, and, as appropriate, portfolios of conservative fixed income securities.

Clients may hold or retain other types of assets as well, and PBMares Wealth Management may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

PBMares Wealth Management's strategies do not utilize securities that we believe would be classified as having any unusual risks and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

PBMares Wealth Management receives supporting research from Fidelity Investments, Morningstar, iShares and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). PBMares Wealth Management primarily utilizes DFA mutual funds and ETFs in client portfolios. DFA securities follow a passive asset class investment philosophy, with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to PBMares Wealth Management.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, PBMares Wealth Management relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, PBMares Wealth Management may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

## Risk of Loss

### **Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by PBMares Wealth Management may include funds invested in domestic and international equities, including real estate investment trusts (“REITs”), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in PBMares Wealth Management’s investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by PBMares Wealth Management may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses within each applicable sector.

### **Cybersecurity Risk**

The computer systems, networks and devices used by PBMares Wealth Management and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or

otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## **Item 9 – 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 PBMares Wealth Management or the integrity of PBMares Wealth Management’s management. PBMares Wealth Management has no information applicable to this Item.

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

### Affiliated Accounting Firm

PBMares Wealth Management is directly owned by the accounting firm PBMares, LLP. PBMares, LLP is the combination of the former accounting firms PBGH, LLP and Witt Mares, PLC. The Managing Directors of PBMares Wealth Management are also CPAs and owners of the accounting firm and may spend as much as 10% of their business time on accounting services.

The accounting firm and its employees may recommend PBMares Wealth Management to accounting clients in need of advisory services. PBMares Wealth Management may recommend the accounting firm to advisory clients in need of accounting services.

Accounting services are separate and distinct from the advisory services of PBMares Wealth Management and are provided for separate and typical compensation. In some instances, mutual clients of PBMares, LLP and PBMares Wealth Management may receive discounted tax preparation fees for returns prepared by PBMares, LLP.

PBMares, LLP also provides pension consulting services, including plan design, compliance, and plan monitoring and reporting services. These services may be separately offered to advisory clients of

PBMares Wealth Management. Pension consulting services are separate and distinct from the advisory services of PBMares Wealth Management and are provided for separate and typical compensation.

No PBMares Wealth Management client is obligated to use PBMares, LLP for any accounting services or pension consulting services.

#### Individual Licensed Insurance Agents / Affiliated Insurance Company

Certain individuals of PBMares, are licensed insurance agents for various insurance companies. All commission compensation resulting from implementing insurance product transactions on behalf of advisory clients is paid to our affiliated insurance company, PBMares Insurance Solutions. Clients are not under any obligation to engage these individuals when considering implementation of recommendations. While these individuals endeavor at all times to put the interest of the clients first as part of PBMares Wealth Management's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

#### Individual Investment Advisor Representative Outside Business Activities:

##### Family Office

Raymond Kingsfield, Investment Advisor Representative with PBMares Wealth Management, in his individual capacity, is also the Chief Investment & Operating Officer of Steel Family Investments, LLC, a private family office. Mr. Kingsfield devotes the majority of his time to his position with Steel Family Investments, LLC. Steel Family Investments, LLC business activities are separate and distinct from the advisory services of PBMares Wealth Management and Mr. Kingsfield receives separate and typical compensation for this outside business activity. PB Mares Wealth Management is not affiliated with Steel Family Investments, LLC and is not involved in any Steel Family Investments, LLC business activities.

## **Item 11 – Code of Ethics**

PBMares Wealth Management has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. PBMares Wealth Management's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth PBMares Wealth Management's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated

with PBMares Wealth Management may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of PBMares Wealth Management that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, PBMares Wealth Management requires anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's Chief Compliance Officer. PBMares Wealth Management also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPOs or private placements (limited offerings).

PBMares Wealth Management's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. PBMares Wealth Management requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

PBMares Wealth Management will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

It is PBMares Wealth Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. PBMares Wealth Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

PBMares Wealth Management participates in the Schwab Advisor Services ("SAS") program offered to independent investment advisers by Charles Schwab & Company, Inc., member FINRA/SIPC, and the Fidelity Institutional Wealth Services ("FIWS") program offered to independent investment advisers, sponsored by Fidelity Brokerage Services, LLC ("Fidelity"), member FINRA/SIPC. Schwab and Fidelity are unaffiliated SEC-registered broker dealers and FINRA member broker-dealers.

The Schwab and Fidelity brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. PBMares Wealth Management regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to PBMares Wealth Management's service arrangements and capabilities, and PBMares Wealth Management may not accept clients who direct the use of other brokers. As part of these programs, PBMares Wealth Management receives benefits that it would not receive if it did not offer investment advice (See the disclosure under [Item 14 of this Brochure](#)).

As PBMares Wealth Management will not request the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct PBMares Wealth Management as to the broker-dealer to be used. In directing the use of a particular broker or dealer, it should be understood that PBMares Wealth Management will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

SAS and FIWS do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the brokers. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While PBMares Wealth Management will not arrange transactions through other brokers, the authority of the independent, third-party fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

PBMares Wealth Management does not have any arrangements to compensate any broker dealer for client referrals.

PBMares Wealth Management does not maintain any client trade error gains. PBMares Wealth Management makes clients whole with respect to any trade error losses incurred by client caused by PBMares Wealth Management.

PBMares Wealth Management generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which PBMares Wealth Management arranges transactions.

#### **Employee Benefit Retirement Plan Services:**

PBMares Wealth Management is a 3(38) Investment Manager. As such, we may arrange for the execution of securities transactions for participant directed plans utilizing Employee Benefit Retirement Plan Services.



## **Financial Planning & Consulting Services:**

PBMares Wealth Management 's financial planning and consulting practice, due to the nature of its business and client needs, does not include blocking trades, negotiating commissions with broker dealers or obtaining volume discounts, nor necessarily obtaining the best price. Clients will be required to select their own broker-dealers and insurance companies for the implementation of financial planning recommendations. PBMares Wealth Management may recommend any one of several brokers. PBMares Wealth Management clients must independently evaluate these brokers before opening an account. The factors considered by PBMares Wealth Management when making this recommendation are the broker's ability to provide professional services, PBMares Wealth Management 's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. PBMares Wealth Management 's financial planning and consulting clients may use any broker or dealer of their choice.

## **Item 13 – Review of Accounts**

### **Reviews:**

#### **Investment Management Services:**

Account assets are supervised continuously and formally reviewed quarterly by an Investment Advisor Representative of PBMares Wealth Management. The review process contains each of the following elements:

- assessing client goals and objectives;
- evaluating the employed strategy(ies);
- monitoring the portfolio(s); and
- addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- specific client request;
- a change in client goals and objectives;
- an imbalance in a portfolio asset allocation; and
- market/economic conditions.

For fixed income portfolios, certain account review responsibilities may be delegated to an independent, third-party investment manager as described above in [Item 4](#).

#### **Employee Benefit Retirement Plan Services:**

Plan assets are reviewed on a quarterly basis, and according to the standards and situations described above for investment management accounts.

## **Financial Planning & Consulting Services:**

Financial Planning and Consulting accounts will be reviewed as contracted for at the inception of the advisory relationship.

### **Reports:**

## **Investment Management Services:**

All clients receiving investment management services will receive written quarterly performance reports, prepared and reviewed by PBMares Wealth Management, that summarize the client's account and asset allocation. Clients will also receive at least quarterly statements from their account custodian, which will outline the client's current positions, and current market value.

## **Employee Benefit Retirement Plan Services:**

Plan sponsors are provided with quarterly information and annual performance reviews from PBMares Wealth Management. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

## **Financial Planning & Consulting Services:**

Financial Planning and Consulting clients will receive those reports for which they contract PBMares Wealth Management to prepare.

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

### **Client Referrals**

PBMares Wealth Management does not compensate any person, directly or indirectly, for client referrals.

### **Other Compensation**

As indicated under the disclosure for [Item 12](#), SAS and FIWS each respectively provide PBMares Wealth Management with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit PBMares Wealth Management but may not benefit its clients' accounts. Some of these other products and services assist PBMares Wealth Management in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of PBMares Wealth Management's fees from its clients' accounts, and

assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of PBMares Wealth Management's accounts.

Recommended brokers also make available to PBMares Wealth Management other services intended to help PBMares Wealth Management manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. PBMares Wealth Management does not, however, enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers. While as a fiduciary, PBMares Wealth Management endeavors to act in its clients' best interests, PBMares Wealth Management's requirement that clients maintain their assets in accounts at SAS or FIWS may be based in part on the benefit to PBMares Wealth Management of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.

PBMares Wealth Management also receives software from DFA, which PBMares Wealth Management utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for PBMares Wealth Management personnel. These services are designed to assist PBMares Wealth Management plan and design its services for business growth.

As previously disclosed, certain individuals affiliated with PBMares Wealth Management, are insurance agents. As such, these individuals will be able to receive separate, yet customary commission compensation resulting from implementing insurance product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## **Item 15 – Custody**

PBMares does not take physical custody over Client's cash or securities. However, the Firm is deemed to have custody in certain situations under guidance issued by the SEC. Specifically, pursuant to the Investment Advisers Act of 1940, the Firm is deemed to have "constructive custody" of Client funds because we have the authority and ability to debit our fees directly from the accounts of those Clients receiving our services. Additionally, certain Clients have, and could in the future, sign a Standing Letter of Authorization ("SLOA") that gives us the authority to transfer funds to a third-party as directed by the Client in the SLOA. This is also deemed to give us custody. Custody is defined as any legal or actual ability by the firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure clients' managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the client's account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the clients' accounts for which the

advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempt us from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from client accounts, we must receive written authorization from clients permitting advisory fees to be deducted from the client's account.
2. In the case of SLOAs, we must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to our firm, and (ii) ensure that certain requirements are being performed by the qualified custodian.

The qualified custodian that is selected by a client maintains actual physical custody of client assets. Client account statements from custodians will be sent directly to each client to the email or postal mailing address that is provided to the qualified custodian selected by the client. Clients are encouraged to compare information provided in reports or statements received by our firm with the account statements received from their custodian for accuracy. In addition, clients should understand that it is their responsibility, not the custodian's, to ensure that the fee calculation is correct.

If client funds or securities are inadvertently received by our firm, they will be returned to the sender immediately, or as soon as practical.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send Clients independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

## **Item 16 – Investment Discretion**

PBMares Wealth Management requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain an independent, third-party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, PBMares Wealth Management observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to PBMares Wealth Management in writing.

Non-Discretionary Clients: An advisory client electing not to grant investment discretionary authority to PBMares Wealth Management is advised that trades in his/her account may be executed subsequent to trades affected in discretionary accounts due to the additional time involved in obtaining the required client approval prior to executing any trade in such client's account.

## **Item 17 – Voting Client Securities**

Proxy Voting: As a matter of firm policy and practice, PBMares Wealth Management does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. However, clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. PBMares Wealth Management may provide advice to clients regarding the clients voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that PBMares Wealth Management will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct PBMares Wealth Management to transmit copies of class action notices to the client or a third party. Upon such direction, PBMares Wealth Management will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

PBMares does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

PBMares Wealth Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.