

**PTS Asset Management**  
**Form CRS Client Relationship Summary**  
**June 12, 2020**

**Item 1. Introduction**

- A. **PTS Asset Management is registered with the Securities and Exchange Commission as an investment advisor and we provide investment advisory services rather than brokerage services.** Investment advisory services and brokerage services and fees differ and it is important for the retail investor to understand the differences. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information.
- B. Free and simple tools are available to research firms and financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS) which also provides educational materials about broker-dealers, investment advisors, and investing.

**Item 2. Relationships and Services**

*What investment services and advice can you provide me?*

**Services:** We provide our services to unaffiliated solicitors who recommend our four model portfolios to their retail investors.

**Monitoring:** Our portfolio management is not based on your specialized needs. Rather, we review and manage our four model portfolios on a regular basis to ensure they are in line with the investment objective of each model portfolio as our standard service.

**Investment Authority:** We buy and sell investments for each model portfolio without asking you, the underlying investor, in advance, this is called “**discretionary authority**”.

**Limited Investment Offerings:** Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.

**Account Minimums:** Our cumulative minimum account requirement for opening and maintaining an account is \$50,000. This is negotiable.

**Additional Information:** Our firm has been a registered investment advisor since October 12, 1990. The principal owner of the firm is Wadsworth Family, LLC. William F. Wadsworth, Jr. is the General Partner and Chief Compliance Officer of our firm. Our services are distributed through unaffiliated Solicitors and their firms. Clients are introduced to us through their financial professional. The primary involvement of the Solicitor with us is introducing you to our firm. Under this arrangement, we pay the Solicitor a portion of our annual advisory fee. Our advisory fee is the same whether we are engaged through the unaffiliated Solicitor or directly by you. **Ask us for our Form ADV Part 2A Brochure for complete details about our services and fees.**

*Questions you should ask your financial professional.*

*Given my financial situation, should I choose an investment advisory service? Why or why not?*

*How will you choose investments to recommend to me?*

*What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

**Item 3. Fees, Costs, Conflicts, and Standard of Conduct**

*What fees will I pay?*

**Principal Fees and Costs:** You will pay an on-going negotiable breakpoint **asset-based fee** no more than 2.25% at the end of each quarter or semi-annual for our services, based on the value of the cash and investments in your advisory account. The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account. **Other Fees and Costs:** You are responsible for all custodial and securities broker-dealer execution fees charged by the custodian and executing broker-dealer. Our asset-based fee is separate and distinct from the custodian and broker-dealer execution fees. Some investments (such as mutual funds) impose additional fees that will reduce the value of your investment over time.

**Additional Information:** *You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Refer to our Form ADV Part 2A Brochure, Item 5.A.B.C.D. for more detailed information about our fees.*

*Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me? What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?*

#### **B.(i) Standard of Conduct**

*When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account.*

*How might your conflicts of interest affect me, and how will you address them?*

**Additional Information:** William F. Wadsworth, Jr. is a Registered Representative with an unaffiliated broker-dealer firm, Integrated Financial Planning Services (CRD #17935). Clients that use him in this capacity as a registered representative will incur transactional costs (12b-1 fees, administrative fees, etc.) in addition to the management fee for advisory services. This creates a conflict of interest. He is incented to sell you securities to receive these fees. You are always free to choose whom you purchase securities from; and, if you want to purchase securities. All fees will be disclosed to you in advance of your purchase.

#### ***How do your financial professionals make money?***

We are paid by the asset-based fee that is charged to your investment account. The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. Mr. Wadsworth in his Registered Representative capacity is also compensated based on the product sold or by product sales commissions.

#### **Item 4. Disciplinary History**

##### ***Do you or your financial professionals have legal or disciplinary history?***

Yes, there is disciplinary history. Free and simple search tools are available to retail investors who visit [www.Investor.gov/CRS](http://www.Investor.gov/CRS) to research our firm and financial professionals.

*As a financial professional, do you have any disciplinary history? For what type of conduct?*

#### **Item 5. Additional Information**

*Contact William F. Wadsworth, Jr., General Partner, Phone: (800) 678-9730 for additional and up to date information and for a copy of this Form CRS.*

##### ***Who is my primary contact person?***

***Is he or she a representative of an investment adviser or a broker-dealer?***

***Who can I talk to if I have concerns about how this person is treating me?***