

**DISCLOSURE BROCHURE**  
FORM ADV PART 2A

**Thompson Private Wealth, Inc.**

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This brochure provides information about the qualifications and business practices of Thompson Private Wealth, Inc. Being registered as an investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 605-789-5988. 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 TPW WEALTH, INC (CRD #172142) IS AVAILABLE ON THE SEC'S WEBSITE AT [WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV)**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

Since the last update filed on March 8, 2024, the following changes have been made:

- The entire document has been updated for compliance purposes.
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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

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### **Firm Description**

Thompson Private Wealth, Inc. (hereinafter "TPW") is an S-Corporation organized in the State of South Dakota. The firm was formed in July 2014, and the principal owners are Raymond P. Thompson and Stacey M. Thompson.

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### **Types of Advisory Services**

#### ASSET MANAGEMENT

TPW offers discretionary asset management services to advisory Clients. TPW will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize TPW discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

#### FINANCIAL PLANNING AND CONSULTING

TPW offers the following financial planning and consulting services as outlined below:

##### *Full Financial Plan*

Financial planning services include a complete evaluation of an investor's current and future financial state and will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. TPW will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans.

Typical topics reviewed in a financial plan may include but are not limited to:

- **Financial goals:** Based on an individual's or a family's clearly defined financial goals, including funding a college education for the children, buying a larger home, starting a business, retiring on time or leaving a legacy. Financial goals should be quantified and set to milestones for tracking.
- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Comprehensive risk management plan:** Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss. The risk management plan includes a full review of life and disability insurance, personal liability coverage, property and casualty coverage, and catastrophic coverage.
- **Long-term investment plan:** Include a customized asset allocation strategy based on specific investment objectives and a risk profile. This investment plan sets guidelines for selecting, buying and selling investments and establishing benchmarks for performance review.

- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax-favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

### *Consultation Services*

This service is appropriate for clients who need assistance with individual topics. This is not a detailed financial review and will not provide/result in a complete financial plan. Client may select individual topics above, or other topics as may be deemed appropriate. The individual topics that will be included in this service will be outlined and agreed upon on the financial planning and consulting agreement.

If a conflict of interest exists between the interests of TPW and the interests of the Client, the Client is under no obligation to act upon TPW's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through TPW. Financial plans will be completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation.

### ERISA PLAN SERVICES

TPW provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans as a 3(21) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** TPW may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions. As an investment advisor TPW has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using TPW can help the plan sponsor delegate liability by following a diligent process.

#### 1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment options available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. TPW acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide investment advice to the Plan Sponsor with respect to the selection of a qualified default investment option for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and

conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.

- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment options available to them under the Plan. Client understands TPW's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, TPW is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. TPW will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

TPW may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between TPW and Client.

3. TPW has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to TPW on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

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**Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

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**Wrap Fee Programs**

TPW does not sponsor any wrap fee programs.

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**Client Assets Under Management**

TPW has the following Client assets under management:



Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$61,776,084	\$0	December 31, 2023

## Item 5: Fees and Compensation

### Method of Compensation and Fee Schedule

#### ASSET MANAGEMENT

TPW offers discretionary direct asset management services to advisory Clients. TPW charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Quarterly Fee
All Assets	1.50%	.375%

This is a flat rate/breakpoint fee schedule, the entire portfolio is charged the same asset management fee. For example, a Client with \$750,000 under management would pay \$11,250 on an annual basis or \$2,812.50 quarterly.  $\$750,000 \times 1.50\% = \$11,250/4 = \$2,812.50$ .

The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). TPW considers cash to be an asset class, and as such is included in fee calculations. Also, to be noted, at times fees will exceed the money market yield. Fees are billed quarterly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous quarter.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by TPW with thirty (30) days written notice to Client and by the Client at any time with written notice to TPW. No fee adjustment will be made for account deposits and/or withdrawals during a billing period. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

#### FINANCIAL PLANNING AND CONSULTING

TPW charges either an hourly fee or fixed fee based on complexity and unique Client needs for financial planning. Prior to the planning process the Client will be provided an estimated plan fee.

##### HOURLY FEES

Financial Planning Services are offered based on an hourly fee of \$200 per hour.

##### FIXED FEES

Financial Planning Services are offered based on a flat fee between \$100 and \$2,500.

Fees for financial plans are due upon delivery of the completed plan.

Services are completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five

(5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to TPW. TPW reserves the right to waive the fee should the Client implement the plan through TPW.

#### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, TPW shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of TPW for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. TPW does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, TPW will disclose this compensation, the services rendered, and the payer of compensation. TPW will offset the compensation against the fees agreed upon under the Agreement.

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#### **Client Payment of Fees**

Fees for asset management services are:

- Deducted from a designated Client account. The Client must consent in advance to direct debiting of their investment account.

Fees for financial plans will be billed:

- Deducted from a designated non-qualified Client account. The Client must consent in advance to direct debiting of their investment account.
- Check – to be remitted by Client to TPW
- Electronic Payment via ACH, or wire. (fees will be paid via a third party payment processor in which the client will securely input payment information and pay the advisory fee through a secure portal. ABC will not have continuous access to the Client's banking information.)

Fees for ERISA services will either be deducted from Plan assets or paid directly to TPW. The Client must consent in advance to direct debiting of their investment account.

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#### **Additional Client Fees Charged**

Custodians may charge transaction fees and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. TPW does not receive any compensation from these

fees. All of these fees are in addition to the management fee you pay to TPW. For more details on the brokerage practices, see Item 12 of this brochure.

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### **Prepayment of Client Fees**

TPW does not require any prepayment of fees of more than \$500 per Client and six months or more in advance.

Fees for ERISA 3(21) services may be billed in advance.

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### **External Compensation for the Sale of Securities to Clients**

TPW does not receive any external compensation for the sale of securities to Clients, nor do any of the investment advisor representatives of TPW.

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

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

TPW does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for TPW to recommend an investment that may carry a higher degree of risk to the Client.

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

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### **Description**

TPW generally provides investment advice to individuals, high net worth individuals, pensions, profit sharing plans, corporations or business entities. Client relationships vary in scope and length of service.

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### **Account Minimums**

TPW does not require a minimum to open or maintain an account.

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

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### **Methods of Analysis**

Security analysis methods may include fundamental analysis, technical analysis, Modern Portfolio Theory. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

**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.

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**Modern Portfolio Theory** is the theory of finance 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, by carefully choosing the proportions of various assets.

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### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to TPW. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases.

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### **Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with TPW:

- *Market Risk:* The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience

greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.

- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Foreign Securities Risk:* Funds in which clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. Typically the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.

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## **Item 9: Disciplinary Information**

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### **Criminal or Civil Actions**

TPW and its management have not been involved in any criminal or civil action.

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### **Administrative Enforcement Proceedings**

TPW and its management have not been involved in administrative enforcement proceedings.

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### **Self-Regulatory Organization Enforcement Proceedings**

TPW and its management have not been involved in any self-regulatory organizational enforcement proceedings that are material to a Client's or prospective Client's evaluation of TPW or the integrity of its management.

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

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### **Broker-Dealer or Representative Registration**

TPW is not registered as a broker-dealer and no affiliated representatives of TPW are registered representatives of a broker-dealer.

### **Futures or Commodity Registration**

Neither TPW nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Ray Thompson has a financial affiliated business as an accountant and tax preparer through Thompson Private Wealth Inc. From time to time he will offer Clients services from those activities. As a tax preparer, he may receive separate yet typical compensation.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the compensation received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products or services. Clients have the option to purchase these products or services through another tax preparer of their choosing.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

TPW does not select or recommend other investment advisors.

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

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### **Code of Ethics Description**

The affiliated persons (affiliated persons include employees and/or independent contractors) of TPW have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of TPW affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of TPW. The Code reflects TPW and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

TPW's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of TPW may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

TPW's Code is based on the guiding principle that the interests of the Client are our top priority. TPW's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust

and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

TPW will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

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**Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

TPW and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

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**Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

TPW and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide TPW with copies of their brokerage statements.

The Chief Compliance Officer of TPW is Ray Thompson. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

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**Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

TPW does not have a material financial interest in any securities being recommended. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide TPW with copies of their brokerage statements.

The Chief Compliance Officer of TPW is Ray Thompson.. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

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**Item 12: Brokerage Practices**

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**Factors Used to Select Broker-Dealers for Client Transactions**

TPW will require the use of a particular broker-dealer based on their duty to seek best execution for the client, meaning they have an obligation to obtain the most favorable terms for a client under the circumstances. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to effect the transaction where a large block is involved,

the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. TPW will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. TPW relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by TPW. TPW does not receive any portion of the trading fees.

TPW will require the use of Axos Advisor Services.

- *Research and Other Soft Dollar Benefits*

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by TPW from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. Although TPW has no formal soft dollar arrangements, TPW may receive products, research and/or other services from custodians or broker-dealers connected to client transactions or “soft dollar benefits”. As permitted by Section 28(e) of the Securities Exchange Act of 1934, TPW receives economic benefits as a result of commissions generated from securities transactions by the custodian or broker-dealer from the accounts of TPW. TPW cannot ensure that a particular client will benefit from soft dollars or the client’s transactions paid for the soft dollar benefits. TPW does not seek to proportionately allocate benefits to client accounts to any soft dollar benefits generated by the accounts.

A conflict of interest exists when TPW receives soft dollars which could result in higher commissions charged to Clients. This conflict is mitigated by the fact that TPW has a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

- *Brokerage for Client Referrals*

TPW does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.

- *Directed Brokerage*

TPW does not allow directed brokerage accounts. Not all advisors require their clients to direct brokerage.

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### **Aggregating Securities Transactions for Client Accounts**

TPW manages each account separately, and therefore, does not aggregate purchases and sales and other transactions. If orders are not aggregated, some clients purchasing securities around the same time may receive a less favorable price than other clients which may cost clients more money.

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

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### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed quarterly by the Chief Compliance Officer of TPW, Ray Thompson. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client



documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, TPW suggests updating at least annually.

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**Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

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**Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by TPW's custodian. Client receives confirmations of each transaction in account from custodian and an additional statement during any month in which a transaction occurs. Performance reports will be provided by TPW at least quarterly to Clients with assets under management

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

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**Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

TPW receives additional economic benefits from external sources as described above in Item 12.

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**Advisory Firm Payments for Client Referrals**

TPW does not compensate for Client referrals.

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**Item 15: Custody**

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**Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to carefully compare the account statements received directly from their custodians to any documentation or reports prepared by TPW.

TPW is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of TPW.

If TPW is authorized or permitted to deduct fees directly from the account by the custodian:

- TPW will provide the Client with an invoice concurrent to instructing the custodian to deduct the fee stating the amount of the fee, the formula used to calculate the fee, the amount of assets under management the fee is based on and the time period covered by the fee;
- TPW will obtain written authorization signed by the Client allowing the fees to be deducted; and
- The Client will receive quarterly statements directly from the custodian which disclose the fees deducted.

## **Item 16: Investment Discretion**

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### **Discretionary Authority for Trading**

TPW requires discretionary authority to manage securities accounts on behalf of Clients. TPW has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. TPW discretionary authority stated within the Investment Advisory Agreement.

TPW allows Clients to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. These restrictions must be provided to TPW in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. TPW does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

## **Item 17: Voting Client Securities**

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### **Proxy Votes**

TPW does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, TPW will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client. If the Client requires assistance or has questions, they can reach out to the investment advisor representatives of the firm at the contact information on the cover page of this document.

## **Item 18: Financial Information**

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### **Balance Sheet**

A balance sheet is not required to be provided to Clients because TPW does not serve as a custodian for Client funds or securities and TPW does not require prepayment of fees of more than \$500 per Client and six months or more in advance.

### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

TPW has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

### **Bankruptcy Petitions during the Past Ten Years**

TPW has not had any bankruptcy petitions in the last ten years.

## **Item 19: Requirements for State Registered Advisors**

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### **Principal Executive Officers and Management Persons**

TPW currently has two management persons/executive officers: Raymond P. Thompson and Stacey M. Thompson. Education and business background for Raymond P. Thompson can be found on his Form ADV Part 2B brochure supplement. As Stacey M. Thompson is not an investment adviser representative with TPW and therefore does not provide investment

advisory services to clients of TPW, she does not have a Form ADV Part 2B brochure supplement at this time.

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**Outside Business Activities**

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

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**Performance Based Fee Description**

Neither TPW nor its management receive performance based fees. Please see Item 6 of the ADV 2A for more information.

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**Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons**

Neither TPW nor its management have been involved in any of the following:

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

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**Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities**

There are no material relationships with issuers of securities to disclose.

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Raymond (“Ray”) Paul Thompson

**Thompson Private Wealth, Inc.**

**Office Address:**

224 Phillips Ave, Suite 200  
Sioux Falls, SD 57104

**Tel:** 605-789-5988

**Email:** [ray@thompsonadvice.com](mailto:ray@thompsonadvice.com)

March 21, 2024

This brochure supplement provides information about Ray Thompson and supplements the Thompson Private Wealth, Inc brochure. You should have received a copy of that brochure. Please contact Ray Thompson if you did not receive the brochure or if you have any questions about the contents of this supplement.

**ADDITIONAL INFORMATION ABOUT RAY THOMPSON (CRD  
#4937807) IS AVAILABLE ON THE SEC’S WEBSITE AT  
[WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV).**

## **Brochure Supplement (Part 2B of Form ADV)**

### **Supervised Person Brochure**

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#### **Principal Executive Officer – Ray Thompson**

- Year of birth: 1985
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#### **Item 2 - Educational Background and Business Experience**

##### Educational Background:

- University of Sioux Falls; Bachelor of Arts in Public Accounting and Business Administration; 2007

##### Business Experience:

- Thompson Private Wealth, Inc.; President/CCO/Investment Advisor Representative; 06/2014-Present
  - Sutterfield Financial Group, Inc.; Investment Advisor Representative; 05/2005-08/2014
  - National Planning Corporation; Registered Representative; 10/2007- 06/2009
  - AIG American General Life Insurance Company; Agent-ABG; 09/2005- 10/2007
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#### **Item 3 - Disciplinary Information**

- A. Ray Thompson has never been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction for which he:
- a. Was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) misdemeanor that involved investments or an investment-related business, fraud, false statement or omissions, wrongful taking of property, bribery, perjury, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  - b. Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  - c. Was found to have been involved in a violation of an investment-related statute or regulation; or
  - d. Was the subject of any order, judgement or decree permanently or temporarily enjoining, or otherwise limiting, him from engaging in any investment related activity, or from violating any investment-related statute, rule, or order.
- B. Ray Thompson never had an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which he:
- a. Was found to have caused an investment-related business to lose its authorization to do business; or the subject of an order by the agency or authority;
  - b. Was found to have been involved in a violation of an investment-related statute or regulation or was the subject of an order by the agency or authority
  - a. (a)denying, suspending or revoking the authorization of the supervised person to act in an investment-related business; (b) barring or suspending his association with an investment-related business; (c) otherwise significantly

limiting his investment-related activities; or (d) imposing a civil money penalty of more than \$2,500 on him.

- C. Ray Thompson has never been the subject of a self-regulatory organization (SRO) proceeding in which he:
- a. Was found to have caused an investment-related business to lose its authorization to do business; or
  - b. Was found to have been involved in a violation of the SRO's rules and was: (a) barred or suspended from membership or from association with other members, or was expelled from membership; (b) otherwise significantly limited from investment-related activities; or (c) fined more than \$2,500.
- D. Ray Thompson has not been involved in any other hearing or formal adjudication in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct.

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**Item 4 - Other Business Activities**

Ray Thompson has a affiliated business as an accountant and tax preparer through Thompson Private Wealth, Inc. From time to time he will offer Clients services from those activities. As a tax preparer, he will receive separate yet typical compensation.

These practices represent conflicts of interest because it gives an incentive to recommend products or services based on the compensation received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products or services. Clients have the option to purchase these products or services through another tax preparer of their choosing.

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**Item 5 - Additional Compensation**

Ray Thompson does not receive any performance-based fees and does not receive any additional compensation for performing advisory services other than what is disclosed in Item 5 of Part 2A.

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**Item 6 - Supervision**

Since Ray Thompson is the owner and sole investment adviser representative of TPW and is solely responsible for all supervision and formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at [ray@thompsonadvice.com](mailto:ray@thompsonadvice.com) or 605-78-5988.

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**Item 7 - Requirements for State-Registered Advisors**

- A. Ray Thompson has not been involved in any of the following:
- 1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statement(s) or omissions;
    - iii. Theft, embezzlement or other wrongful taking of property;
    - iv. Bribery, forgery, counterfeiting, or extortion;
    - v. Dishonest, unfair or unethical practices.
  - 2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- i. An investment or an investment-related business or activity;
  - ii. Fraud, false statement(s) or omissions;
  - iii. Theft, embezzlement or other wrongful taking of property;
  - iv. Bribery, forgery, counterfeiting, or extortion;
  - v. Dishonest, unfair or unethical practices.
- B. Ray Thompson has never been the subject of a bankruptcy petition.