Item 1: Cover Page

PETRA WEALTH MANAGEMENT

ELEVATING YOUR FUTURE


Petra Wealth Management, LLC

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Spotsylvania, VA 22553

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# Form ADV Part 2A – Firm Brochure

Dated: March 27, 2026

This Brochure provides information about the qualifications and business practices of Petra Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at 804-223-2298. 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.

Petra Wealth Management, LLC is a registered investment adviser. Registration does not imply a certain level of skill or training.

Additional information about Petra Wealth Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov, which can be found using the firm's identification number, 332830.

## Item 2: Material Changes

There are no material changes to report.

# Item 3: Table of Contents

## Item 4: Advisory Business

**Description of Advisory Firm**

Petra Wealth Management, LLC is an Investment Adviser principally located in the state of Virginia. We are a limited liability company founded in July of 2024. Petra Wealth Management, LLC became registered in December 2024. David Thompson is the principal owner and Chief Compliance Officer (“CCO”).

As used in this brochure, the words “PWM”, "we", "our firm", “Advisor” and "us" refer to Petra Wealth Management, LLC and the words "you", "your" and "Client" refer to you as either a client or prospective client of our firm.

**Types of Advisory Services**

PWM is a fee-only firm, meaning the only compensation we receive is from our Clients for our services. From time to time, PWM recommends third-party professionals such as attorneys, accountants, tax advisors, insurance agents, or other financial professionals. Clients are never obligated to utilize any third-party professional we recommend. PWM is not affiliated with nor does PWM receive any compensation from third-party professionals we may recommend.

### Asset Management Services

Our firm provides continuous management regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which experience, sophistication, capabilities, tolerances, goals and objectives based on a Client's particular circumstances are established, we develop a Client's investment policy or an investment plan with an asset allocation target/or a model portfolio target and create and manage a portfolio based on that policy, allocation targets and/or other factors. We will also review and discuss a Client’s prior investment history, as well as family composition and background. Account management is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as risk tolerance, risk capacity, future need and tax considerations.

We primarily manage Client investments using stocks, bonds, mutual funds, ETFs, U.S. government and municipal securities, and cash and cash equivalents. We may also provide management regarding investments held in Client’s portfolio at the inception of our wealth management relationship and/or other investment types not listed above, at the Client’s request. As a comprehensive Wealth Management firm, all aspects of assets, liabilities and situations may be advised upon, to act in our Clients best interest.

When we provide asset management services, Clients grant us limited authority to buy and sell securities on a discretionary basis. More information on our trading authority is explained in Item 16 of this Brochure. Clients may impose reasonable restrictions, in writing, on investing in certain securities, types of securities, or industry sectors.

We provide an additional service for accounts not directly held in our custody, such as 401(k), 403(b) 457, TSA, and other retirement plan accounts of clients. We use a third-party platform (Held-Away Management System, (HAMS)) to facilitate management of these held away assets, with discretion. The platform allows PWM to avoid having custody of Client funds since PWM does not have any access to Client login credentials, nor the ability to alter addresses or beneficiaries. PWM is not affiliated with the platform in any way and receives no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, we will review the current account allocations. When deemed necessary, we will rebalance the account considering client investment goals and risk tolerance, any change in allocations and current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

## Financial Planning Services

Financial planning involves an evaluation of a Client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered as they affect and are affected by the entire financial and life situation of the Client. Clients engaging in this service will usually receive a written report, providing the Client with a detailed financial plan designed to help achieve the Client's stated financial goals and objectives.

In general, a financial plan will address some or all of the following areas of concern. The Client and PWM will work together to select specific areas to cover. Addressed in the form of a limited scope or ongoing planning engagement, these areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.

- **Business Valuation** is establishing a business valuation based on known data and industry trends, to assist Clients in understanding that impact on future plans and goals. It may be a subset of Business Planning, or a stand-alone service.

- **Cash Flow and Debt Management**: We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

- **College Savings**: Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to children and grandchildren (if appropriate).

- **Marriage Financial Planning:** Includes assaying the current starting point of a couple, their backgrounds and family-of-origin monetary beliefs, and other germane facts in order to provide a financial roadmap to help a soon-to-be, a newly wed, or a long-time married couple. The design is to provide clarity on their financial situation and develop a roadmap for the future based on those personal facts and evidence-based statistics. Advice here will likely involve setting up an emergency fund, considering cash-flow, investment horizon and choices, maximizing employer-offered plans, risk tolerance, risk capacity, future goals and considerations thereof–and how to best succeed moving forward in light of all these factors.

- **Divorce Planning**: In divorce planning, PWM uses knowledge of tax law, asset distribution, and financial planning to achieve equitable settlements for divorcing couples. We work in conjunction with divorcing couples and their attorneys to achieve equitable and best-available outcomes for our Client. Our advice typically will involve information provided by the clients and their attorneys to analyze proposals for the division of assets, alimony, custody, child support, and other issues. PWM can then project the financial impact of a proposal in the short and long term and formulate various options. We may even be able to provide absolute values to assets that are under- or overestimated, and save money for the couple by shortening the exposure to attorney-related billable hours. Examples of tangible results typically include: Valuing assets and debts; Valuing the marital home; Dividing retirement and pension accounts; Identifying the amount and duration of alimony; Identifying tax implications of alimony and property division; and, Setting up a budget for life after the divorce. Divorce is a time of unsettled thinking for many, so setting up a plan and pathway forward, toward success, is the aim of this dimension of our planning service.

- **Employee Benefits Optimization**: We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

- **Legacy/Estate Planning**: We offer Estate Planning services for our clients to assist with general information as it applies to reviews of existing plans, gathering information needed to provide outside firms in the creation of documents, and updating existing plans for clients. This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts, and may, in some cases, involve advice on legacy maintenance of your estate. We may utilize a scrivener service or document preparation service such as EncorEstate Plans or another similar service. We recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time to time, we will participate in meetings or phone calls between you, your beneficiaries, and/or your attorney or other professional with your approval or request.

- **Financial Goals**: We will help Clients identify financial goals and develop a plan to reach them. Together, we'll identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

- **Insurance**: Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

- **Investment Analysis**: This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

- **Retirement Planning**: Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, reallocating a portfolio, accepting more short-term volatility with investments).

  If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years. Our philosophy and objective, whenever possible and in your best interest, is to develop an investment strategy so the assets generate the needed living income, with a surplus, and we aim to avoid tapping into your principle for living expenses; it is reserved ideally for income generation and growth.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

  We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

- **Ongoing Financial Planning and Consulting**: We may, for clients who want or need more consistent oversight, advice or mentoring, provide ongoing advice or consultation. Services will be provided on an as-agreed-upon basis, typically one meeting or cluster of meetings (1-2 hours/meeting) per quarter. Clients may choose to engage PWM for these mentoring and advising services with or without any other plan, or asset management service. This a-la-carte option that could involve any other dimension of planning or advising listed in this section, or a combination thereof, and will be billed at the agreed-upon fees, and paid in accordance with the appropriate fee schedule.

## Client Tailored Services and Client Imposed Restrictions

We tailor the delivery of our services to meet the individual needs of our Clients. We consult with Clients initially and on an ongoing basis, through the duration of their engagement with us, to determine essential financial needs, risk tolerance, risk capacity, time horizon and other factors that may impact the Clients' investment and/or planning needs.

Clients can specify, within reason, any restrictions they would like to place as they pertain to individual securities and/or sectors that will be traded in their account. All such requests must be provided to PWM in writing. PWM will notify Clients if they are unable to accommodate any requests.

## Wrap Fee Programs

We do not participate in wrap fee programs.

## Assets Under Management

As of December 31, 2025, PWM had $7,642,453.71 in discretionary and $0 in non-discretionary assets under management.

# Item 5: Fees and Compensation

Please note, unless a Client has received this brochure at least 48 hours prior to signing an Advisory Contract, the Advisory Contract may be terminated by the Client within five (5) business days of signing the Advisory Contract without penalty or incurring any fees.

How we are paid depends on the type of advisory services we provide. Below is a brief description of our fees, however, you should review your executed Advisory Contract for more detailed information regarding the exact fees you will be paying. No increase to the agreed-upon advisory fees outlined in the Advisory Contract shall occur without prior Client consent.

## Asset Management Services

PWM offers discretionary direct asset/investment management services to advisory clients. PWM charges an annual investment advisory fee based on the value of the assets held in each account, including managed held-away accounts.

Fees on accounts will be charged at a flat rate not exceeding 1.75%. Fees are billed monthly in arrears based on the amount of assets managed as of the last business day of the month. The annual fee is negotiable and may be reduced for combined household accounts. Custodial fees, if any, are charged separately by the custodian. Monthly advisory fees will be deducted from the clients' account by the custodian. Monthly advisory fees may also be paid by Electronic Funds Transfer (EFT) or check. For Asset Management services, the Advisory Contract may be terminated with written notice 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the Advisory Contract. PWM will be entitled to a pro rata fee for the days service was provided in the final month up to the date of termination. Client shall be given thirty (30) days prior written notice of any increase in fees and client will acknowledge, in writing, any agreement of increase in said fees.

## Financial Planning Services

Financial Planning Services are offered as either limited scope/one-time or ongoing planning engagements. Financial planning is billed at an hourly rate of $250. The number of hours needed depends upon the complexity of the Client's situation and the number of projections needed by the Client. The initial payment is due upon signing the agreement. For ongoing financial planning engagements, the subsequent fees will be calculated and invoiced to the client monthly - based on the work completed during that period. Fees may be paid by Electronic Funds Transfer (EFT), check, or by being deducted from the client's account by the custodian if the client is also engaged in Asset Management services with PWM. PWM may waive or adjust fees, at its own discretion, on a case-by-case basis.

Except for ongoing financial planning engagements, services are generally completed and delivered inside of sixty (60) days contingent upon timely client delivery of required documentation. Unless the client and PWM agree to an ongoing financial planning engagement, the contract terminates once the financial plan has been delivered. PWM will not bill an amount above $500 more than 6 months or more in advance of rendering the services. Clients may terminate at any time by providing written notice. Since fees are paid in advance, a prorated refund will be given, if applicable, upon termination of the Advisory Contract for any unearned fee.

If the actual time needed is less than estimated, the client will be refunded the prorated difference in a timely manner. If the actual time needed is more than the estimate, work will stop when the number of hours paid for have been expended and the matter will be discussed with the client. For clients initially engaging in a one-time or limited-scope planning project who request additional support following the engagement, a new agreement will be negotiated following the same terms listed in the paragraph above.

## Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending custodians for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

Clients may incur fees from third-party professionals such as accountants and attorneys that PWM may recommend, upon Client request. Such fees are separate and distinct from PWM's advisory fees.

## Sale of Securities or Other Investment Products

Advisor and its supervised persons do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and asset management services to individuals, high net-worth individuals, charitable organizations, small businesses, and trusts.

Our minimum account size requirement is $100,000 to open or maintain an account under our management. PWM may reduce or waive the minimum account size requirement on a case-by-case basis.

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

Below is a brief description of our methods of analysis and primary investment strategies.

## Methods of Analysis

Security analysis methods may include fundamental analysis and technical analysis. 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 involves evaluating a stock using real data such as company revenues, earnings, return on equity, and profit margins to determine underlying value and potential growth. Technical analysis involves evaluating securities based on past prices and volume.

When creating a financial plan, PWM utilizes fundamental analysis to provide review of insurance policies for economic value and income replacement. Both Fundamental and Technical analysis is used to review mutual funds and individual stocks. The main sources of information include Morningstar, YCharts, Schwab data, other investment data partners, client documents such as tax returns and insurance policies.

In developing a financial plan for a client, PWM's analysis may include cash flow analysis, investment planning, risk management, tax planning, business planning or valuation, estate planning or other considerations. Based on the information gathered, a detailed strategy is tailored to the client's specific situation.

The main sources of non-client information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

## Investment Strategies

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. 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, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

## Material Risks Involved

**All investment programs have certain risks that are borne by the investor. Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.** Our investment approach constantly keeps the risk of loss in mind from both action and inaction. Investors face the following investment risks and should discuss these risks with PWM.

*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. Note: during these times, this market condition simultaneously causes equity dividend payers to become more attractive as a substitute for cash-producing investments, and their "yield" (dividends/per-share cost) makes them more attractive in down markets as this yield increases…as compared to these yields in bull markets. This attractiveness may induce bonds to be sold and reinvested in these equities, therefore pulling them out the down curve back into a buy curve and prices then go back up. They have a self-limiting down feature, which "buoys" their price.

*Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events. Market risk here refers to systemic risks which cannot be avoided except by hedging strategies. Time horizons of needed liquidity are taken into account when considering the magnitude of this risk on clients assets.

*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. Having strategies that focus on growth until an income stage is needed, factoring in historical durations of market dips, is one strategy we may use to combat 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. One of PWM's strategies is to choose some companies which have much of their income from overseas.

*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. We don't typically use bonds in our discretionary investing strategy.

*Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like. PWM considers Business Risk as part of Fundamental Analysis and uses the assessment of various sectors and subsectors and of course individual companies, for inclusion in any model.

*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. Liquidity is calculated based on a client's stated and anticipated need, and the normal time it takes to liquify an asset.

*Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good and bad times. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value. PWM considers this a part of Fundamental Analysis, in choosing companies for Investment Models.

*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 until the market recovers. Using historical market time windows or durations of down markets until recovery is a part of our strategy.

*Short-term purchases:* Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to *purchasing power risk* — the risk that your investment's return will not keep up with inflation. These are not currently a part of our hedging or investing strategies, but may be included in the future, if it is deemed in the best interest of the client to do so.

*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. This risk is inherent because of uncertainty in all investments. We act in the best interests of our clients to ameliorate and minimize this risk by Fundamental and Technical Analysis, and other methods already mentioned.

*Options Trading:* The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership. We are not currently engaging in Options Trading, but may do so at a future date, if it is deemed to be in the best interests of our clients.

## Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured, the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Exchange Traded Funds (ETFs)** prices may vary significantly from the Net Asset Value due to market conditions. Certain exchange traded funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above (premium) or below (discount) their net asset value and an ETF purchased at a premium may ultimately be sold at a discount; (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the ETFs invest.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

> **Call Risk** involves the risk that a callable bond may be redeemed by the issuer prior to its maturity. As most municipal bonds have a call provision that allows the issuer to call or redeem the bond ahead of its maturity, this risk would apply to most municipal bonds we may recommend. If a bond is called before it matures the investor loses out on the income and in an environment of declining interest rates bears the risk that should a bond be called early there may not be bonds available with similar characteristics to reinvest in with the proceeds. The inability to find suitable bonds paying similar interest rates, who have similar characteristics, when a current bond matures or is called, is known as reinvestment risk.
>
> **Reinvestment risk** involves the risk that an investor cannot find another bond of similar quality and maturity that pays a similar interest rate and therefore might need to invest in a bond of lower quality, shorter or longer maturity, and/or at a lower rate, which all have likely material impacts on the value of the assets invested in the bond, including reduced income or principal compared to what was expected in previous bond issues depending on a variety of factors such as purchase price, credit risk, call provisions, etc.
>
> **Valuation Risk.** The value and price of municipal bonds are correlated with the rise and fall of interest rates. When interest rates rise, bond prices decline. When interest rates decline, bond prices rise. Selling a bond before maturity, especially during a rising interest rate environment, may prevent an investor from receiving the par value of the bond and therefore they may not be able to get their full principal back.

**Mutual Funds** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Other:** Although we intend on using "models" built with high-quality equities; we will advise on disposal, conversion and/or inclusion of assets on a case-by-case basis. PWM may also, on a case-by-case basis, engage in advice on all these securities, insurance coverage, real estate and any income or expense stream considerations–any factor that affects Wealth Management for our clients.

## Item 9: Disciplinary Information

**Criminal or Civil Actions**

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

**Administrative Enforcement Proceedings**

PWM and its management persons have not been involved in any administrative enforcement proceedings.

**Self-Regulatory Organization Enforcement Proceedings**

PWM and its management persons have not been involved in any self-regulatory organization (SRO) proceedings.

## Item 10: Other Financial Industry Activities and Affiliations

**Broker-Dealer Affiliation**

Neither PWM nor its management persons is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

**Other Affiliations**

Neither PWM or its management persons is registered, nor have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

**Related Persons**

Neither PWM nor its management persons have any relationship or arrangement with any outside financial industry-related parties.

**Recommendations or Selections of Other Investment Advisers**

PWM does not recommend or select other investment advisers for our clients.

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

As a fiduciary, our firm has a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all our dealings. The firm also accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

**Code of Ethics Description**

This Code of Ethics does not attempt to identify all possible conflicts of interest, and compliance with each of its specific provisions will not shield our firm or its access persons from liability for misconduct that violates a fiduciary duty to our Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Access persons shall offer and provide professional services with integrity.
- Objectivity - Access persons shall be objective in providing professional services to Clients.
- Competence - Access persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Access persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Access persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Access persons conduct in all matters shall reflect the credit of the profession.
- Diligence - Access persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

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

Neither our firm, its access persons, or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, principal transaction, among others.

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

Our firm, its access persons, and its related persons may buy or sell securities similar to, or different from, those we recommend to Clients. In an effort to reduce or eliminate certain conflicts of interest, our Code of Ethics may require that we restrict or prohibit access persons’ transactions in specific reportable securities. Any exceptions or trading pre-clearance must be approved by PWM’s Chief Compliance Officer in advance of the transaction in an account. PWM maintains a copy of access persons’ personal securities transactions as required.

## Trading Securities At/Around the Same Time as Client's Securities

From time to time our firm, its access persons, or its related persons may buy or sell securities for themselves at or around the same time as they buy or sell securities for Clients' account(s). To address this conflict, it is our policy that neither our firm nor access persons shall have priority over Clients' accounts in the purchase or sale of securities.

# Item 12: Brokerage Practices

**Factors Used to Select Custodians**

PWM does not have any affiliation with any custodian we recommend. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

In recommending custodians, we have an obligation to seek the "best execution" of transactions in Client accounts. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the custodian's services. The factors we consider when evaluating a custodian for best execution include, without limitation, the custodian's:

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

With this in consideration, our firm recommends Charles Schwab & Co., Inc. ("Schwab"), an independent and unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

**Research and Other Soft-Dollar Benefits**

We do not have any soft-dollar arrangements with custodians whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the amount of commissions paid by a Client. However, as a result of being on their institutional platform, Schwab may provide us with certain services that may benefit us.

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like us. They provide our Clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our Clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The benefits received by Adviser or its personnel do not depend on the number of brokerage transactions directed to Schwab. As part of its fiduciary duties to Clients, Adviser at all times must put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of Schwab for custody and brokerage services. This conflict of interest is mitigated as Adviser regularly reviews the factors used to select custodians to ensure our recommendation is appropriate. Following is a more detailed description of Schwab's support services:

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

2. **Services that may not directly benefit you.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our Clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:
    - provide access to Client account data (such as duplicate trade confirmations and account statements)
    - facilitate trade execution and allocate aggregated trade orders for multiple Client accounts
    - provide pricing and other market data
    - facilitate payment of our fees from our Clients' accounts
    - assist with back-office functions, recordkeeping, and Client reporting

3. **Services that generally benefit only us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:
    - Educational conferences and events
    - Consulting on technology, compliance, legal, and business needs
    - Publications and conferences on practice management and business succession

4. **Your brokerage and custody costs.** For our Clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees.

## Brokerage for Client Referrals

We receive no referrals from a custodian, broker-dealer or third party in exchange for using that custodian, broker-dealer or third party.

## Clients Directing Which Broker/Dealer/Custodian to Use

Our firm recommends Clients establish account(s) at Schwab to execute transactions through. We will assist with establishing your account(s) at Schwab, however, we will not have the authority to open accounts on the Client's behalf. Not all investment advisers require their Clients to use their recommended custodian. By recommending that Clients use Schwab, we may be unable to achieve most favorable execution of Client transactions, and this practice may cost Clients more money. We base our recommendations on the factors disclosed in Item 12 herein and will only recommend custodians if we believe it's in the best interest of the Client.

If Clients do not wish to utilize our recommended custodian, we permit Clients to direct brokerage. We will be added to your account through a limited trading authority. However, due to restraints from not having access to an institutional platform, we are unable to achieve most favorable execution of Client transactions. Clients directing brokerage may cost Clients more money. For example, in a directed brokerage account, the Client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the Client may receive a higher transaction price at their selected custodian versus our recommended custodian.

## Aggregating (Block) Trading for Multiple Client Accounts

Generally, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or access persons may participate in block trading with your accounts; however, they will not be given preferential treatment.

## Item 13: Review of Accounts

**Periodic Reviews**

Clients who engage us for asset management services will have their account(s) reviewed regularly on a quarterly basis by David Thompson, President, Owner and CCO. The account(s) are reviewed with regards to the Client's investment objectives and risk tolerance levels.

**Triggers of Reviews**

Events that may trigger a special review would be unusual performance, addition or deletions of Client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

**Review Reports**

Clients will receive trade confirmations from the custodian(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

PWM does not provide written performance or holdings reports to Asset Management Clients outside of what is provided directly by their custodian.

## Item 14: Client Referrals and Other Compensation

**Compensation Received by Petra Wealth Management, LLC**

PWM is a fee-only firm that is compensated solely by its Clients. PWM does not receive commissions or other sales-related compensation. Except as mentioned in Item 12 above, we do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients.

**Client Referrals from Solicitors**

PWM does not, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

## Item 15: Custody

PWM does not hold, directly or indirectly, Client funds or securities, or have any authority to obtain possession of them. All Client assets are held at a qualified custodian.

If PWM deducts its advisory fee from Client's account(s), the following safeguards will be applied:

i. The Client will provide written authorization to PWM, permitting us to be paid directly from Client's accounts held by the custodian (see ***Advisory Client Agreement***)
ii. The custodian will send at least quarterly statements to the Client showing all disbursements from the accounts, including the amount of the advisory fee.

PWM will send an itemized invoice to the Client at the same time it instructs the custodian to debit the advisory fee. Itemization includes 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. These are included in the Custodian monthly statements (see "Management Fees"). We urge you to carefully review custodial statements and compare them to the account invoices or reports that we may provide to you and notify us of any discrepancies. Clients are responsible for verifying the accuracy of these fees as listed on the custodian's brokerage statement as the custodian does not assume this responsibility. Our invoices or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those Client accounts where we provide Asset Management Services, PWM has discretionary authority and limited power of attorney to determine the securities and the amount of securities to be bought or sold for a Client's account without having to obtain prior Client approval for each transaction. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account(s). Additionally, the discretionary relationship will be outlined in the Advisory Contract (***Advisory Client Agreement***) and signed by the Client. Clients may limit our discretion by requesting certain restrictions on investments. However, approval of such requests is at the firm's sole discretion.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client, copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client has any questions on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our Clients, nor have we been the subject of any bankruptcy proceeding. We do not have custody of Client funds or securities, except as disclosed in Item 15 above, or require or solicit prepayment of more than $500 in fees six months or more in advance.

## Item 19: Requirements for State-Registered Advisers

**Principal Officers**

David Thompson serves as PWM's sole principal and CCO. Information about David Thompson's education, business background, and outside business activities can be found in his ADV Part 2B, Brochure Supplement attached to this Brochure.

**Outside Business**

All outside business information, if applicable, of PWM is disclosed in Item 10 of this Brochure.

**Performance-Based Fees**

Neither PWM nor David Thompson is compensated by performance-based fees.

**Material Disciplinary Disclosures**

No management person at PWM has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

**Material Relationships That Management Persons Have With Issuers of Securities**

PWM nor David Thompson have any relationship or arrangement with issuers of securities.

## Item 1: Cover Page

# Petra Wealth Management, LLC

10408 Courthouse Road, #77
Spotsylvania, VA 22553

804-223-2298

## Form ADV Part 2B – Brochure Supplement

Dated: April 10, 2025

*For*

## David Thompson

President, Owner and Chief Compliance Officer

This brochure supplement provides information about David Thompson that supplements the Petra Wealth Management, LLC ("PWM") brochure. You should have received a copy of that brochure. Please contact David Thompson if you did not receive PWM's brochure or if you have any questions about the contents of this supplement.

Additional information about David Thompson is available on the SEC's website at www.adviserinfo.sec.gov which can be found using the identification number 7112392.

## Item 2: Educational Background and Business Experience

**David Thompson**
Born: 1966

**Business Experience**

- 12/2024 – Present, Petra Wealth Management, LLC, President, Owner and CCO
- 05/2019 – 11/2024, Sovereign Capital Vantage, Inc., Vice President

## Item 3: Disciplinary Information

David Thompson has never been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

David Thompson is not involved in any outside business activities.

## Item 5: Additional Compensation

David Thompson does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through PWM.

## Item 6: Supervision

David Thompson as Chief Compliance Officer of PWM, supervises the advisory activities of our firm. David Thompson is bound by and will adhere to the firm's policies and procedures and Code of Ethics. Clients may contact David Thompson at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

David Thompson has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.