

Item 1 Cover Page

PORTFOLIO WISDOM

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www.portfoliowisdom.com

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This brochure provides information about the qualifications and business practices of Portfolio Wisdom. If you have any questions about the contents of this brochure, please contact us at (615) 414-1942. 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 Portfolio Wisdom also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

None

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was June 4, 2018.

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Item 4 Advisory Business

Portfolio Wisdom is a state registered investment advisor firm registered with the Tennessee securities regulators as of July 29, 2009.

The principal owner of Portfolio Wisdom is Dale P. Beals, President.

Advisory Services

Portfolio Wisdom's ("Advisor") principal service is providing fee-based investment advisory services and financial planning services. The Advisor practices custom management of portfolios, on a discretionary basis, according to the client's objectives. The Advisor's primary approach is to use a tactical allocation strategy aimed at increasing risk adjusted performance. The Advisor uses exchange traded funds (ETFs), exchange listed securities, over-the-counter securities, foreign securities, warrants, corporate debt securities, CDs, variable life insurance, variable annuities, municipal securities, mutual funds, United States government securities, and options in securities to accomplish this objective. The Advisor measures and selects mutual funds by using various criteria, such as the fund manager's tenure, and/or overall career performance. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client's risk tolerance.

Portfolio Wisdom will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will Portfolio Wisdom accept or maintain custody of a client's funds or securities.

Financial Planning

In addition to investment supervisory services, Portfolio Wisdom may provide Financial Planning services to some of its clients. The Advisor's Financial Planning services may include recommendations for portfolio customization based on their client's investment objectives, goals and financial situation. Financial Planning services may also include recommendations relating to investment strategies as well as tailored investment advice.

Portfolio Wisdom will tailor its advisory services to its client's individual needs based on meetings and completion of a client profile. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

Blog and Newsletter

Portfolio Wisdom provides a blog on the www.portfoliowisdom.com website and periodic newsletters to clients and friends consisting of a compendium of recent blog posts. Topics covered include financial market observations commentary on a wide range of current topics, and educational material.

Currently, educational information is provided free of charge, but future education offerings, including access to proprietary models, online seminars, videos and educational courses for the general public may be sold.

Mobile App

Portfolio Wisdom provides a Mobile App (“App”) service for a monthly fee that is designed for users of smart phones and other electronic devices. The App recommends asset allocations and portfolio construction advice based on a set of investment criteria entered by the client. The App service also has links to the Portfolio Wisdom blog.

Portfolio Wisdom does not provide portfolio management services to wrap fee programs.

Portfolio Wisdom manages client assets and as of December 31, 2018 has the following assets under management:

Discretionary assets:	\$2,529,000
Non discretionary assets:	\$0.00

Item 5 Fees and Compensation

Asset Management Fees

Pursuant to an investment advisory contract signed by each client, investment supervisory clients will pay Portfolio Wisdom a tiered monthly or daily asset-based Management Fee (depending on the custodian and at the client’s option), payable in arrears, based on the amount of the assets managed by the Advisor at the end of the prior period as shown in the table below. For accounts that are billed monthly, accounts opened during the preceding month will be prorated from the opening date to the end of the month.

First \$500,000	0.75% per annum
Next \$500,000	0.60% per annum
Account assets over \$1 million	0.50% per annum

These fees may be negotiated by the Advisor under unusual circumstances, at the sole discretion of the Advisor. Asset management fees will be automatically deducted from the client account on a monthly basis by the custodian.

Portfolio Wisdom may also provide ongoing advice and guidance concerning asset allocation and portfolio construction for certain defined contribution participant clients, or clients invested in variable annuities, where Portfolio Wisdom will not actively manage or trade the account. The advisory fee for such services is 0.75% per annum, charged monthly in arrears based on assets in the retirement account or annuity at the end of the previous month.

In conjunction with the Advisor's goal of aligning its compensation with each client's desire for a positive absolute return every year, the Advisor will review investment performance in the accounts at the end of the month following each annual anniversary of this agreement. If the client's 12 month investment performance, across all accounts managed by the Advisor under the investment advisory agreement is negative after all fees and expenses (excluding interim deposits and withdrawals), the Advisor will lower its fees for one year by a percentage equal to the percentage decline in the client accounts managed under the agreement.

For example, if the market value of an account that was \$100,000 at the prior anniversary or inception date (if the first year), is now valued at \$90,000 (a 10% loss) at the annual evaluation, then the advisory fees for that account will be lowered from 0.75% to 0.67% (a 10% discount) for the next 12 months. If the performance is again negative, the fee discount calculated based on the most recent year return will be applied to the prior year discounted rate. For example, continuing with the above scenario, if the loss for the second year is 5%, the investment management fee for the third year will be reduced by 5% from 0.67% to 0.64%.

At each annual evaluation, if the client's previous 12-month investment performance is positive, the standard fees will apply for the next 12 months. All fees paid to Portfolio Wisdom for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in these products directly, without the services of Portfolio Wisdom. In that case, the client would not receive the services provided by Portfolio Wisdom which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the product sponsor and the fees charged by Portfolio Wisdom to fully understand the total fees to be paid.

Portfolio Wisdom will provide investment advisory services and portfolio management services but will not provide custodial or other administrative services. At no time will Portfolio Wisdom accept or maintain custody of a client's funds or securities. Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Advisors fee is separate and distinct from the custodian and execution fees.

Clients may request to terminate their advisory contract with Portfolio Wisdom, in whole or in part, by providing advance written notice. Client's advisory agreement with the Advisor is non-transferable without Client's written approval.

Investment Advisory fees may be reduced or waived for directors, officers, and employees of Portfolio Wisdom at the discretion of management.

Hourly Fees

Some clients will contract to have investment advisory advice and/or financial planning advice provided based on an hourly fee rather than based on the assets under management. The Advisors hourly fee will be billed at a rate ranging from \$50 to \$150 per hour depending on the services requested, but may be negotiated in advance. Hourly fee-based clients are billed on a monthly basis upon completion of work performed.

Performance Fees

In addition to the Management Fee, Portfolio Wisdom may receive a Performance Fee based upon gains obtained in the client's account for the calendar year exceeding a high water mark. This fee will be equal to 15% of gains in the client account during that period. The Performance Fee will be subject to a high water mark to ensure that the firm will not receive the Performance Fee unless, and only to the extent that, there are cumulative gains in the client's account during the prior 36 months. Only "qualified clients" with either \$1 million under management or a net worth of \$2 million will have the option to be charged performance fees.

Mobile App Fees

Clients who subscribe to the Mobile App service are charged a one-time fee at the point they download the App. The fee for the monthly service is negotiable.

Item 6 Performance-Based Fees and Side-by-Side Management

See the responses to Items 5 and 19.

Item 7 Types of Clients

The Advisor will offer its services to individuals and high net worth individuals.

Portfolio Wisdom requires that performance fee clients be qualified clients by investing either \$1 million or have a net worth of at least \$2 million.

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

The Advisor may utilize fundamental, technical or cyclical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There

are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past.

The investment strategies the Advisor will implement will include trading of securities sold within 30 days.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

The Advisor does not primarily recommend a particular type of security.

Item 9 Disciplinary Information

Mr. Dale P. Beals was employed by Raymond James Financial Services, Inc. and was terminated on October 16, 2008 with an allegation of unauthorized trading a mutual fund. Mr. Beals asserts that both the complaint by the client and the dismissal by Raymond James were unjustified. Further, Mr. Beals asserts that the trade in question, a \$12,500 mutual fund free-exchange which involved no commission to Mr. Beals and no cost to the client, was absolutely approved by the client. Mr. Beals feels that the letter documenting the results of the FINRA investigation subsequent to his dismissal fully supports his assertions. A copy of the FINRA letter is available on request.

Item 10 Other Financial Industry Activities and Affirmations

Neither Portfolio Wisdom nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

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

Portfolio Wisdom or its management person do not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund” and offshore fund, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

Portfolio Wisdom does not recommend or select other investment advisers for clients.

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

Portfolio Wisdom is a state registered investment advisor registered with the Tennessee securities regulators and has adopted as an industry best practice a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Portfolio Wisdom deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Portfolio Wisdom are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. Portfolio Wisdom collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. Portfolio Wisdom maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

Portfolio Wisdom and/or its investment advisory representatives may from time to time purchase or sell products that they may recommend to clients. In such situations, the client’s interests are considered first and at no time will the firm or its investment advisory representatives be permitted to trade ahead of client accounts. Portfolio Wisdom strictly prohibits any trading activity in its accounts or that of its investment advisory representatives which may be in contravention to the advice or recommendations given to clients. Supervisory Principals will routinely review firm and advisory representatives’ trades to ensure compliance with these

guidelines. More detail on these procedures is available in the firm's Code of Ethics and a client may request a copy.

Item 12 Brokerage Practices

Portfolio Wisdom does not select or recommend broker-dealers for client transactions.

Portfolio Wisdom does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

Portfolio Wisdom does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

Portfolio Wisdom does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer.

Portfolio Wisdom will allow clients to direct brokerage at the firm's sole discretion. Clients should be aware that if they direct Portfolio Wisdom to a particular broker-dealer for execution Portfolio Wisdom may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost clients more money than if Portfolio Wisdom were to execute transactions at the broker-dealer where it has an established relationship. The client may pay higher brokerage commissions because Portfolio Wisdom may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

Portfolio Wisdom may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular client accounts. Prior to entry of a block trade, a written pre-allocation will be generated which identifies the group of client accounts participating in the order.

Item 13 Review of Accounts

Accounts are monitored on an ongoing basis. Client accounts will be reviewed by Dale P. Beals, President of Portfolio Wisdom. The client will receive written statements no less than quarterly from the trustee or custodian. In addition, the client will receive other supporting reports from Mutual Funds, Asset Managers, Trust Companies or Custodians, Insurance Companies, Broker/Dealers and others who are involved with client accounts.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might adversely affect his/her investment plan.

Asset Allocation Accounts are re-balanced frequently and re-optimized when deemed necessary by the Advisor. Re-balancing is accomplished by reallocating assets to original asset targets and re-optimizing involves setting new target asset category percentages.

Item 14 Client Referrals and Other Compensation

Portfolio Wisdom is not compensated by anyone for providing investment advice or other advisory services except as previously disclosed in this Brochure.

Portfolio Wisdom does not directly or indirectly compensate any person who is not a supervised person for client referrals.

Item 15 Custody

Portfolio Wisdom does not have custody of client funds or securities however, the client will receive written statements no less than quarterly from the custodian. Portfolio Wisdom encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

Item 16 Investment Discretion

Portfolio Wisdom generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Portfolio Wisdom.

Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Portfolio Wisdom will be in accordance with each client's investment objectives and goals.

Item 17 Voting Client Securities

Portfolio Wisdom will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Portfolio Wisdom cannot give any advice or take any action with respect to the voting of these proxies. The client and Portfolio Wisdom agree to this by contract.

For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan fiduciary specifically keeps the authority and responsibility for the voting of

any proxies for securities held in plan accounts. Also, Portfolio Wisdom cannot give any advice or take action with respect to the voting of these proxies.

Item 18 Financial Information

Portfolio Wisdom does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, and is not required to file a balance sheet.

Portfolio Wisdom has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Portfolio Wisdom does become aware of any such financial condition, this brochure will be updated and clients will be notified.

Portfolio Wisdom has never been subject to a bankruptcy petition.

Item 19 Requirements for State-Registered Advisers

Dale P. Beals was born in 1956 and attended the U. S. Military Academy at West Point from 1973 to 1975. He obtained dual degrees in mathematics and computer science and graduated *cum laude* from the Vanderbilt School of Engineering in 1977. Prior to starting Dale Beals Financial Wisdom LLC (d/b/a Portfolio Wisdom) in July 2009, Mr. Beals was a registered representative at Bank of America Investment Services (2003-2006), a registered representative and investment advisor representative at Raymond James (2006-2008), and an investment advisor representative and portfolio manager at Sumner Asset Management (2008-2009).

Portfolio Wisdom is not engaged in any other business other than giving investment advice.

There is an inherent conflict of interest when a firm charges performance-based fees to some accounts and management fees based on a percentage of assets under management to other accounts, in that an advisor may have an incentive to favor the accounts from which it will earn higher compensation. To mitigate this conflict, the firm provides its advisory services to all client accounts, including those clients who are not charged a performance fee. These services include evaluation of investor suitability and adhering to the investor risk profile when making investment decisions, client communications and account reviews that are the same for all clients, and availability by the firm and supervised persons to meet with clients as necessary. In addition, the firm maintains trading policies and a Code of Ethics that are intended to deliver consistency, that no one client is favored over another.

Another conflict of interest concerning accounts with performance-based fees is that the advisor is incentivized to use higher risk investments than called for by the client risk profile. Such investments may generate higher returns, which in turn would generate higher performance-based fees for the advisor. Portfolio Wisdom has a fiduciary obligation to its clients to put the interest of their clients first over and above the interest of the firm and its supervised persons. In

addition, Portfolio Wisdom attempts to further mitigate this conflict by maintaining suitability and employing trading policies and procedures designed to assist the advisor in further meeting its fiduciary obligations to adhere to the client's agreed upon risk profile.

Management of Portfolio Wisdom has not been found liable in any arbitration, civil or disciplinary actions or administrative proceedings.

There are no material relationships maintained by Portfolio Wisdom or its management persons with any issuers of securities.