

Form ADV Part 3: Relationship Summary

Private Portfolios, Inc.

Introduction

Private Portfolios, Inc. is an investment advisor registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisors, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: We offer the following investment advisory services to retail investors. (1) Private Portfolios Asset Management Accounts: We provide asset management services through the Wealth Management Platform, which is sponsored and administered by VISION2020 Wealth Management Corporation, an affiliate of Osaic Wealth, Inc. Through this service we will manage and trade your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment objectives. We will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. All of our asset management services are offered through this program. For more information, please see **Item 4** and **Item 5** of our **Form ADV Part 2A**. Asset management services are provided on a **discretionary** basis, meaning we will have the authority to determine the type and amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. For more information about investment authority, please see **Item 16** of our **Form ADV Part 2A**. (2) Financial Planning Services: We also provide financial analysis and financial planning services consistent with your current financial and tax status, financial goals, investment attitudes and risk/reward parameters. Financial planning services involve us creating a written financial plan and/or providing consultative services which cover mutually agreed upon topics.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend a portfolio of investments designed to be suitable for each client relative to that client's specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: We require a minimum of \$500,000 in order to open an account managed by Private Portfolios. Under certain circumstances, accounts below \$500,000 will be considered and will be accepted at the sole discretion of Private Portfolios. The minimum fee generally charged for financial planning services provided on an hourly basis is \$650.

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Fees for Private Portfolios Asset Management Accounts are charged based on a percentage of assets under management, billed in advance on a monthly basis, and calculated based on the average daily balance of your account during the previous billing period. The annual fee for Private Portfolios Asset Management Accounts Services is based upon a fee schedule which ranges between 0.45% and 1.18%. Because our fee is based upon the value of your account, we have an incentive to recommend that you increase the level of assets in your account. The Wealth Management Platform is considered a wrap-fee program because it offers the option to (1) allow us to pay the transaction charges and other fees assessed to client accounts or (2) to have clients directly pay all transaction charges and other fees that are assessed to their accounts. Our policy is the latter and therefore transaction charges and other fees charged to client accounts managed by us are paid by clients. You will also incur internal fees and expenses by the funds we invest in within your account.

Financial planning services are provided under an hourly fee arrangement. An hourly fee of \$325 is charged for financial planning services with a minimum of 2 hours. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan. Any fees we charge for financial planning services will not cover the costs associated with implementing any recommendations we may make.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about the fees we charge and the other fees and expenses you will incur, please see **Item 5 of Form ADV Part 2A**. You should also review the **VISION2020 Wealth Management Corp. Wealth Management Platform Wrap Fee Program Brochure**.

Conversation Starters: *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What Are Your Legal Obligations to Me When Acting as My Investment Adviser?

How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?

Standard of Conduct: When we act as your investment advisor, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Our investment advisor representatives also serve as licensed insurance agents. When acting in this capacity they will receive commissions for selling insurance products. This creates a conflict of interest when they recommend you purchase insurance products through them. Our investment advisor representatives also serve as registered representatives of Osaic Wealth, Inc., a securities broker-dealer. When acting in this separate capacity, they will receive commissions for selling securities which creates a conflict of interest. We receive expense reimbursement for travel and marketing expenses from distributors of investment and/or insurance products which is a conflict of interest because it creates an incentive to recommend products and investments based on the receipt of this compensation instead of what is in the best interest of our clients.

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

Additional Information: For more information about our conflicts of interests and the ways we are compensated, please see **Item 5, Item 10, Item 12, and Item 14** of our **Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: We compensate our investment advisor representatives based on the level of assets that they bring to Private Portfolios. This creates a conflict of interest as it gives our representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

No. Neither us, nor our investment advisor representatives have a legal or disciplinary history to report. You can look up more information about us and our investment advisor representatives at <https://www.investor.gov/CRS>.

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

Additional Information About Private Portfolios

Additional information about Private Portfolios and copies of this relationship summary are available on the Internet at <http://www.privateportfolios.com/>. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/111905>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at 650-548-9800.

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*