

Item 1: Cover Page

Potomac Wealth Strategies, LLC Client Brochure

This brochure provides information about the qualifications and business practices of Potomac Wealth Strategies, LLC. If you have any questions about the contents of this brochure, please contact us at (703) 746-8195 or by email at: info@PotomacWealthStrategies.com. 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 Potomac Wealth Strategies, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Potomac Wealth Strategies, LLC's CRD number is: 151565

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Potomac Wealth Strategies, LLC on 03/04/2019 are described below. Material changes relate to Potomac Wealth Strategies, LLC's policies, practices or conflicts of interests.

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Item 4: Advisory Business

A. Description of the Advisory Firm

This firm has been in business since December 8, 2009, and the principal owner is Garo Linck Partoyan.

B. Types of Advisory Services

Potomac Wealth Strategies, LLC (hereinafter "PWS") offers the following services to advisory clients:

Investment Supervisory Services

PWS offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. PWS creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Plan) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

PWS evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. PWS will use non-discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Selection of Other Advisors

PWS may direct clients to third party money managers such as, but not limited to, Confluence Investment Management and Dorsey Wright Investment Management. PWS will usually not be compensated via a fee share from the advisors to which it directs those clients; instead, clients using such third party managers will usually pay separate fees to both the manager and PWS. This relationship will be disclosed in each contract between PWS and each third party advisor. In the event there are any fee-sharing arrangements, clients will be duly informed, and fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, PWS will always ensure those other advisors are properly licensed or registered as investment advisor.

Financial Planning

Clients may work with PWS to create an Investment Plan. The Plan includes a Risk Tolerance Profile, an inventory of investment and retirement account assets, itemizations of financial goals such as retirement and education and account contributions, and a probability analysis. This is not a "financial plan," as it does not offer formal analysis and recommendations regarding taxes and estate planning. It is intended to provide an estimate of whether or not the client is on track to meet their long-term savings/investing goals. These services are made available to investment advisory clients, and they are also available for non-investment advisory clients; in such cases, the services are available for fixed fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

Services Limited to Specific Types of Investments

PWS limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, hedge funds, third party money managers, REITs, insurance products including annuities, private placements, government securities. PWS may use other securities as well to help diversify a portfolio when applicable.

C. Client-Tailored Services and Client-Imposed Restrictions

PWS offers the same suite of services to all of its clients. However, specific client investment plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client-specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs, and PWS will make reasonable attempts to accommodate such restrictions. However, if the restrictions prevent PWS from properly servicing the client account, or if the restrictions would require PWS to deviate from its standard suite of services in a way that PWS believes would be detrimental to a client's goal and objectives, PWS reserves the right to end the relationship.

D. Wrap Fee Programs

PWS does not participate in any wrap fee programs.

E. Amounts Under Management

PWS has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$24,144,651.00	December 2019

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
\$1 - \$500,000	1.50%
\$501,000 - \$1,000,000	1.25%
\$1,000,001 - \$2,000,000	1.00%
Above \$2,000,000	0.85%

PWS will advise on 401(k) and other employer-sponsored retirement and profit-sharing accounts for an asset-based fee even if those accounts are not held at PWS's recommended custodian.

PWS' Investment Supervisory Services fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Clients may not select the method by which they are billed.

Selection of Other Advisors Fees

PWS will, at times, direct clients to third party money managers, including but not limited to Confluence Investment Management and Dorsey Wright Investment Management. PWS will usually not be compensated via a fee share from the advisors to which it directs those clients; instead, PWS clients will usually pay separate fees to both PWS and the third-party advisor. Any fee-sharing arrangement will be disclosed in each contract between PWS and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. Fees are paid quarterly in advance, and clients may terminate their contracts with PWS with ten days' written notice, and refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Termination and refund policies of third-party managers vary by manager.

Investment Planning Fees

Fixed Fees

Depending upon the complexity of the situation and the needs of the client, the rate for creating client Investment Plans is between \$500 and \$2,000. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Clients may not select the method in which they are billed. Fees are paid quarterly in advance.

Payment of Investment Planning Fees

Fixed Investment Planning fees are debited from the client's account at the custodian in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

Payment of Selection of Other Advisory Fees

Other Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by PWS, and PWS make every effort possible to avoid such fees; for example, instead of using a mutual fund's "institutional" share class that may be charged a transaction fee by the broker/custodian, PWS may select a load-waived A-share version of the fund instead. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

PWS collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days back into the client's account.

E. Outside Compensation For the Sale of Securities to Clients

Neither PWS nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

PWS does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

PWS generally provides investment advice and/or management supervisory services to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities

Minimum Account Size

There is no account minimum.

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

A. Methods of Analysis and Investment Strategies

PWS's primary method of analysis includes fundamental analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

PWS uses Long Term Purchases, Short Term Purchases and Trading Strategies.

PWS utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

PWS generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international securities markets for equities, fixed-income and commodities.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither PWS nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PWS nor its representatives are registered as a FCM, CPO, or CTA.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither PWS nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

PWS may direct clients to third-party money managers, such as, but not limited to, Confluence Investment Management and Dorsey Wright Investment Management. PWS is a Registered Investment Advisor (RIA), and Garo Linck Partoyan is the Investment Advisor Representative (IAR) of PWS, and PWS will reduce by 50% the advisory fee it charges clients on any account for which PWS and the client hire a third-party manager. PWS will usually not be compensated by such third-party managers; instead, clients will pay an additional and separate fee to the third-party manager, and PWS will reduce its fee by 50% to make it more fair and economical for the client. In the event there are any fee-sharing arrangements, clients will be duly informed in advance and ongoing, and fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, PWS will always ensure those other advisors are properly licensed or registered as investment advisor.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

B. Recommendations Involving Material Financial Interests

PWS does not recommend that clients buy or sell any security in which a related person to PWS has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of PWS may buy or sell securities for themselves that they also recommend to clients. PWS will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of PWS may buy or sell securities for themselves at or around the same time as clients. PWS will trade client's non-mutual funds and non-ETF securities before they trade their own. PWS will always act in the best interest of the client.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian, Schwab Institutional, a division of Charles Schwab & Co., Inc., was chosen based on their relatively low transaction fees and access to mutual funds and ETFs, and for the type of customer service they provide. PWS, being a fee-based investment advisor instead of a broker/dealer, will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. *Research and Other Soft-Dollar Benefits*

PWS receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

2. *Brokerage for Client Referrals*

PWS receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

PWS will not allow clients to direct PWS to use a specific broker-dealer to execute transactions. Clients must use a PWS-recommended or PWS-approved custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, PWS may be unable to achieve most favorable execution of client transactions and this may cost clients money over using a lower-cost custodian.

B. Aggregating (Block) Trading for Multiple Client Accounts

PWS maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least annually only by Garo Linck Partoyan, Managing Member of PWS. Garo Linck Partoyan is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at IA are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Garo Linck Partoyan, Managing Member. There is only one level of review and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive monthly, quarterly, annually or upon client's request a written report detailing the client's account which may come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

PWS does not receive any economic benefit, directly or indirectly from any third party for advice rendered to PWS clients.

B. Compensation to Non -Advisory Personnel for Client Referrals

PWS does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

PWS does not take custody of client accounts at any time. Custody of client's accounts is held primarily at Schwab Institutional, a division of Charles Schwab & Co., Inc. Clients will receive account statements from the custodian and should carefully review those statements.

Item 16: Investment Discretion

PWS offers and provides non-discretionary portfolio management services to clients. PWS does not have discretion over client accounts at any time.

Item 17: Voting Client Securities (Proxy Voting)

PWS will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

PWS does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither PWS nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

PWS has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

PWS currently has only one management person and only one executive officer; Garo Linck Partoyan. Garo Linck Partoyan's education and business background can be found on the Supplemental ADV Part 2B form.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Garo Linck Partoyan's other business activities can be found on the Supplemental ADV Part 2B form.

C. How Performance Based Fees are Calculated and Degree of Risk to Clients

PWS does not accept performance-based fees or other fees based on a share of capital gains or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at PWS has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

Neither PWS, nor its management persons, has any relationship or arrangement with issuers of securities.