



Wealth Enhancement Advisory Services, LLC is an investment adviser registered with the Securities and Exchange Commission. Investment advisers and broker-dealers offer different services under differing compensation structures and it is important for retail investors like you to understand the difference between these two distinct offerings. Educational materials about broker-dealers, investment advisers, and investing in general are available, along with free and simple tools to research firms and financial professionals, at <https://www.investor.gov/CRS>.

What investment services and advice can you provide me?

We offer investment advisory services to retail investors like you. We provide advice on a continuing basis and discuss your investment goals, design with you a strategy to help you achieve your investment goals, and regularly monitor your account.

❖ **Principal Services:** The principal investment advisory services we offer are:

- ❖ **Financial Planning and Consulting.** Financial planning and consulting can take a number of forms, but generally involves helping you set long-term financial goals and recommending actions designed to help you achieve them. Financial planning does not involve the active management of your account.
- ❖ **Asset Management.** Our asset management services generally involve providing you with ongoing supervision over your investment accounts and managing your holistic portfolio based on your individual client profile.
- ❖ **Third-Party Money Managers.** We also make available certain third-party money managers (including our affiliate NorthCrest Asset Management, LLC) who continually monitor and execute transactions within your account. We monitor the performance of third-party managers selected to manage all or a portion of your account.

*Additional information about the services we offer can be found under **Item 4** of our Form ADV Part 2A Brochure and **Item 4** of our Form ADV Part 2A Appendix 1 (Wrap Brochure).*

❖ **Monitoring:** All of our investment advisory services, except for financial planning services, include continual monitoring of client accounts by your investment adviser representative, a third-party money manager, or us. Unless your financial planning agreement with us specifically includes monitoring, financial planning services are provided on a transactional basis and are not monitored or updated.

*Additional information regarding our monitoring of client accounts can be found throughout our Form ADV Part 2A Brochure, particularly under **Item 13**.*

❖ **Investment Authority:** You may grant us discretionary trading authority to manage your account through our Master Services Agreement. This means that you grant our portfolio managers the authority to determine, on your behalf, which securities to buy or sell and when to execute transactions as well as in some circumstances to select third-party money managers (including our affiliate NorthCrest Asset Management, LLC). In

certain situations we also provide non-discretionary investment management advice.

*Additional information on discretionary authority can be found under **Item 16** of our Form ADV Part 2A Brochure and **Item 5** of our Form ADV Part 2A Appendix 1 (Wrap Brochure).*

❖ **Limitations of Investment Offerings:** Certain investment programs we offer have a limited menu of investment options available in which clients may invest.

*Additional information about these programs can be found under **Item 4** of our Form ADV Part 2A Brochure or **Item 4** of our Form ADV Part 2A Appendix 1 (Wrap Brochure).*

❖ **Account Minimums and Other Requirements:** We offer a variety of investment programs to help us meet the unique investment profiles of each of our clients. We generally require a minimum account size of \$25,000 to establish a relationship, but certain investment programs we offer have higher minimum account size requirements.

*Additional information about applicable minimum account size requirements can be found under **Item 7** of our Form ADV Part 2A Brochure or **Item 5** of our Form ADV Part 2A Appendix 1 (Wrap Brochure).*

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?

❖ **Principal Fees and Costs.** We offer financial planning and consulting services on an hourly or flat-fee basis. The other services we offer generally involve us directly or indirectly managing your investment portfolio for a fee based on a percentage of the assets under management. Our fees are generally negotiable and can vary based on factors such as the expected complexity of strategies to be pursued, the type of account to be managed, and the types of securities available to recommend or purchase.

Because our fee is based on the amount of assets we manage, the more assets a retail client places under our management, the

more the client will pay in fees. Therefore, we have an incentive to encourage retail clients to increase the amount of assets in their accounts.

❖ Other Fees and Costs. In addition to the fee you pay us for the services we provide, you are also responsible for other fees and costs (discussed below) incurred in connection with the management of your account and when implementing transactions recommended under a financial planning or consulting relationship, such as, for example, transaction costs and brokerage or custodial fees. Certain investment products, such as mutual funds and exchange-traded funds, charge ongoing fees to cover their internal operating costs, including portfolio management fees, legal and accounting services, and marketing expenses. 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.

Under our wrap program, the asset-based fee you pay covers both the investment management services and most transaction costs and fees and therefore is generally higher than a typical asset-based advisory fee. In cases where we pay for transaction costs individually, we face a conflict of interest with you because we have an incentive to minimize the transactions within your account.

*For additional information about our fees and other costs of investing, please review **Item 5** of our Form ADV, Part 2A disclosure brochure and **Item 4** of our Form ADV Part 2A Appendix 1 (Wrap Brochure).*

Conversation Starter

🗨️ *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?

When we act as your investment adviser, 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.

For example, some of our investment adviser representatives are also registered representatives of an unaffiliated broker-dealer or licensed insurance salespersons (or both). When these representatives prepare a financial plan for you, they have an incentive to recommend commission-paying products and subsequently offer to help implement the plan by serving in their capacity as a broker-dealer representative or insurance agent

(and not as a representative of ours). We face a conflict in recommending the services of our affiliate NorthCrest Asset Management, LLC because we will indirectly benefit financially if you use its services and because some of our investment adviser representatives receive a referral fee for referring clients to that affiliate. Although these conflicts exist, we attempt to mitigate their effect by notifying you that they exist and confirming that you are under no obligation or expectation to implement any plan recommended by or through us through your representative in the representative's separate capacity as a registered representative of a broker-dealer or to utilize the services of NorthCrest Asset Management, LLC.

For additional information about conflicts of interest between you and us, please review our Form ADV, Part 2A disclosure brochure generally, including Items 8, 10, 11, 12, 14, 15 and 18.

Conversation Starter

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

How do your financial professionals make money?

Your financial professional receives a portion of the fees you pay us for financial planning, consulting, or asset management services. Therefore, if you pay asset-based fees, our financial professionals have an incentive to recommend that you increase your assets under management with us because it will increase their compensation. Additional conflicts may exist, such as the example noted above about representatives also serving as insurance salespersons or registered representatives of a broker-dealer. You are encouraged to discuss these and any other potential conflicts with your representative.

Do you or your financial professionals have legal or disciplinary history?

Yes. A free and simple search tool is available to help research financial professionals at www.investor.gov/CRS.

Conversation Starters

- 🗨️ *As a financial professional, do you have any disciplinary history?*
- 🗨️ *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?*

