

Hodge Financial Services, LLC
Form CRS Client Relationship Summary
June 29, 2020

Item 1. Introduction

- A. **Hodge Financial Services, LLC is registered with the Securities and Exchange Commission as an investment advisor and we provide investment advisory services rather than brokerage services.** Investment advisory services and brokerage services and fees differ and it is important for the retail investor to understand the differences. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information.
- B. Free and simple tools are available to research firms and financial professionals at www.Investor.gov/CRS which also provides educational materials about broker-dealers, investment advisors, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

Services: We provide our services to retail investors. We do not actively market our services but rather accept new clients who have been referred to us by existing clients.

Monitoring: Our portfolio management is based on our allocation model which is geared for older clients that are risk adverse. For some clients the model is altered based on their specific needs. The investment allocation and choice of investments is monitored on a routine basis and client accounts are reviewed to see that they are in conformity. The allocation model is adjusted from time to time based on a review of current market conditions.

Investment Authority: We buy and sell investments for each client portfolio without asking you, the underlying investor, in advance, this is called “**discretionary authority**”.

Limited Investment Offerings: Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs. We exclusively use Vanguard Brokerage Services and Vanguard Mutual Funds for all client portfolios. Vanguard is a no-load mutual fund group that in general has low asset management fees.

Account Minimums: Our cumulative minimum account requirement for opening and maintaining an account is \$50,000. This is negotiable.

Additional Information: Our firm has been a registered investment advisor since June 1, 1997. The principal owner of the firm, managing member and Chief Compliance Officer is Robert H. Hodge. Robert H. Hodge is a practicing Certified Public Accountant and holds the specialty designation as a Personal Finance Specialist. **Ask us for our Form ADV Part 2A Brochure for complete details about our services and fees.**

Questions you should ask your financial professional.

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?

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Principal Fees and Costs: You will pay an on-going negotiable **asset-based fee** no more than 1.25% **per year on a semi-annual basis** for our services, based on the value of the cash and investments in your advisory account. The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account. **Other Fees and Costs:** You are responsible for all custodial and securities broker-dealer execution fees charged by the custodian and executing broker-dealer. Our asset-based fee is separate and distinct from the custodian and broker-dealer execution fees. Some investments (such as mutual funds) impose additional fees that will reduce the value of your investment over time.

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. Refer to our Form ADV Part 2A Brochure, Item 5.A.B.C.D. for more detailed information about our fees.*

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 advisor? How else does your firm make money and what conflicts of interest do you have?

B.(i) Standard of Conduct

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. Here are some examples to help you understand what this means. The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account.

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

Additional Information: Robert H. Hodge is not a Registered Representative with any broker-dealer firm and as such he does not collect any commissions on security transactions placed through a broker-dealer. Due to the fact, that Hodge Financial Services, LLC exclusively uses Vanguard, there is no assurance that the fees charged by Vanguard are the lowest available. In addition many clients of Hodge Financial Services, LLC have their tax work prepared by Robert H. Hodge, CPA/PFS and he collects a fee for these services.

How do your financial professionals make money?

We are paid by the asset-based fee that is charged to your investment account. The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees.

Item 4. Disciplinary History

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

No, there have been no disciplinary actions taken against either Robert H. Hodge or Hodge Financial Services, LLC since its inception on June 1, 1997. Free and simple search tools are available to retail investors who visit www.Investor.gov/CRS to research our firm and financial professionals.

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

Item 5. Additional Information

Contact Robert H. Hodge, Managing Member Phone: (800) 552-2001 for additional and up to date information and for a copy of this Form CRS.

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?