

Form ADV Part 3: Relationship Summary

Woodward Financial Advisors, Inc.

Introduction

Woodward Financial Advisors is an Investment Adviser 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 professional at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: We offer investment advisory services to retail investors. Our investment advisory services are provided in the form of Wealth Management Services which involves us managing your portfolio in addition to providing comprehensive financial planning services. We start with a discovery session to determine your financial and investment goals and then craft a tailored plan consistent with your unique goals. We will continuously monitor your investment portfolio as part of our Wealth Management Service, and we proactively schedule meetings (either in-person or virtually) to discuss your goal progress. We provide comprehensive financial planning which consists of investments, tax planning, asset allocation, risk management, retirement planning, estate planning, and other areas of importance to you. For more information please see **Item 4** of our **Form ADV Part 2A**. Management of your investment account(s) is 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 prior to each transaction. We only trade on your behalf in accordance with your Investment Policy Statement, and discretion allows us to more efficiently keep your portfolio allocation in balance. For more information please see **Item 16** of our **Form ADV Part 2A**.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. However, we do not advise you to invest in the following types of investments: derivatives, options, futures, private equity, hedge funds, private placements and some other illiquid or undiversified products. When providing you services, we do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: The minimum annual fee for Wealth Management Services is currently \$10,000.

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

What Fees Will I Pay?

Description of Principal Fees & Costs: Our fee for Wealth Management Services is charged on an annual flat-fee basis. Our fee schedule ranges between \$10,000 and \$100,000. Your annual fee will be customized to you and based on the complexity and needs of your situation, such as income, assets, number of accounts, administrative and operational factors, and other circumstances. While our advisory fee is not directly linked to the size of your portfolio, it may be higher when there are more assets to manage. Our advisory fee takes into account the entirety of your situation, whether we are directly managing your assets at our preferred custodian or helping you manage accounts at other custodians including those held through your employer-sponsored accounts. Annual fees are divided into quarterly amounts and are billed in advance, in the first month of each calendar quarter.

We work with a limited number of legacy clients on an hourly basis, charging a current rate of \$300/hour. We have stopped taking on new clients in an hourly fashion but still service a few of these legacy hourly clients. These engagements are very limited in scope and can involve analysis such as asset allocation, cash flow, investments, and tax planning.

When engaging us for services you will also incur other fees and expenses assessed by third-parties. The custodian of your account may charge you transaction fees for executing trades in your account. You may also incur fees and expenses by the sponsors of mutual funds we invest in, within your account.

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**.

Conversation Starters: *Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 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 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 is an example: simply by hiring us, versus managing your finances on your own, creates a basic conflict of interest in that you have chosen to pay us a fee.

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 11, and Item 12** of our **Form ADV Part 2A**.

How do your financial professionals make money?

Our firm's only source of revenue is the advisory fee that our clients pay us directly. Our representatives receive salaries plus a bonus based on their personal contribution to the firm as well as firm performance.

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

Neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can easily look up more information about us and our investment adviser 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 Woodward Financial Advisors

Additional information about Woodward Financial Advisors and a copy of this relationship summary is available on the Internet at <http://www.woodwardadvisors.com>. You can also find our disclosure brochures and other information about us on the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/firm/summary/150641>. For up-to-date information and to request a copy of this relationship summary, we can be reached by phone at 919-929-2495.

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?*