

Brightwater Advisory, LLC Client Relationship Summary – June 2020

(Form CRS/Form ADV Part 3)

Item 1. Introduction

We are Brightwater Advisory, LLC (“BWA”, “we”, “our” or “us”), registered with the U.S. Securities and Exchange Commission (“SEC”) as a registered investment adviser. Clients and prospective clients should be aware that advisory services and fees differ between investment advisors and broker-dealers and it is important for retail investors to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investing and investment advisers.

Item 2. Relationships and Services -- What investment services and advice can you provide me?

Services: BWA offers appropriate “investment counsel” and “wealth management services” which include a discretionary and/or non-discretionary management of investment portfolios, as well as certain financial planning, consulting services and a wrap fee program. BWA is given discretionary authority through a power-of-attorney included in the agreement between BWA and the client. BWA takes discretion over the following activities: 1) The securities to be purchased or sold; 2) The amount of securities to be purchased or sold; and 3) The timing of when transactions are made. Clients may impose limitations on this authority.

Opening and Maintaining Accounts: BWA offers services to individuals, charitable organizations, corporations, and other business entities. The company does not hold clients to a minimum investment threshold. The company works primarily with retail investors to establish a target asset allocation to achieve the client’s investment objectives. BWA regularly monitors client portfolios to ensure target allocations remain within a suitable, agreed-upon range (e.g. 40% equities and 60% bonds). To achieve these objectives, BWA primarily allocates client assets among diverse exchange-traded funds (“ETFs”), mutual funds, individual debt and equity securities, and/or certificates of deposit. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by BWA.

Additional Information: Additional information on relationships, fees and services can be found in the BWA Firm Brochure, Form ADV Part 2A (Items 4-7) which is available on our website at brightwateradvisory.com/about.

Questions to ask us:

- 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: BWA is paid for investment advisory services and its wrap fee program strictly through investment management fees that are based on a percent of all assets in your account. Our general fee schedule begins at 1.50% of assets annually managed in our wrap fee program and 1.35% for accounts managed outside of our wrap fee program and is included in both the BWA Firm Brochure, Form ADV Part 2A (Item 5) and the BWA Firm Supplemental Brochure, Form ADV Part 2A, Appendix 1 (Item 4). Fees are paid quarterly in advance. As well we have a fixed consulting fee that can be as high as \$3,000 or an hourly rate of \$400. At our discretion, we may negotiate a lower fee. We do not charge a fee to terminate our service agreement, which may be done at any time.

Other Fees and Costs: You may be charged fees in addition to what you pay BWA. Examples are fees for mutual fund internal expenses, transaction fees, exchange fees, SEC fees, wire transfer, account maintenance fees, and other related costs and expenses which you may be charged by your account custodian either directly or indirectly. Commissions and transaction fees vary by broker-dealer and may be less at other brokerage houses. For BWA’s wrap fee program, asset-based fees associated with our wrap fee program will include transaction costs and fees to a broker-dealer that has custody of clients’ assets and are therefore higher than our asset-based advisory fee.

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. Additional information can be found in the BWA Firm Brochure, Form ADV Part 2A (Item 5) which is available on our website at brightwateradvisory.com/about.

Question to ask us:

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. Here are some examples to help you understand what this means.

Examples of Conflicts of Interest: 1) We only make money through our asset-based fees that we charge for our services. The more assets there are in your account, the more you will pay in fees. We may therefore, have an incentive to encourage you to increase the assets in your account. 2) BWA employees may own some of the same securities that are in your investment account. To prevent conflicts of interest, we have adopted a Code of Ethics with procedures in place for personal transactions in personal accounts and a quarterly monitoring system.

Additional information: Additional information on conflicts of interest can be found in our Form ADV, Part 2A (Items 7,8,10,11 and 12) which is on our website at brightwateradvisory.com/about.

Question to ask us:

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

How do your financial professionals make money?

David Maddux and Katie Maddux receive a salary and then additional compensation based on the profitability of the firm. Our other advisors primarily receive a salary and additional compensation based on both their individual performance and the growth of the firm. Our administrative team receives salaries primarily, but also additional compensation based on the growth of the firm.

Item 4. Disciplinary History

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

No. There is no disciplinary information to report regarding BWA.

Additional information on can be found in our Form ADV, Part 2A (Item 9) which is on our website at brightwateradvisory.com. You may also visit Investor.gov/CRS for free and simple search tools to research us and our financial professionals.

Question to ask us:

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

Item 5. Additional Information

If you have any questions about our services or if you wish to request a copy of the relationship summary, please contact us at 813.251.6310 or at info@brightwateradvisory.com. Additional information is also available on the SEC's website at adviserinfo.sec.gov.

Questions to ask us:

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