

Form CRS – Client Relationship Summary

March 25, 2024

Introduction

Prowell Financial Management, LLC (“Prowell”) is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.




What investment services and advice can you provide me?

PFM provides advice to a select group of clients, who are most typically closely held companies seeking to ensure the succession of the company by ensuring that each of its owners has a financial plan that is consistent with that goal. Each company owner or other key person that receives services from PFM has services specifically tailored to that individual and the company for whom he or she is an owner. These services include financial planning and asset management. Privately owned companies have specific business issues, including the continuity of ownership, and the risks associated with being controlled by a small group of individuals and families. Comprehensive financial management involves the coordination of business issues, tax concerns, and investments. Because PFM’s clients are companies and their owners, PFM’s services are more aptly described as management of financial circumstances than financial planning, though planning does play a role. PFM’s goal is to create an organized approach to the complex financial circumstances that surround the individual, acting as the main contact point and advocate for each owner. The process begins with a review and ongoing assessment of the individual’s financial circumstances, which include current estate plans, trusts, other assets, and investments. Individuals come to Prowell with an array of existing managers, and in many cases, these managers are in Prowell’s opinion appropriate choices for the individual’s assets. Where Prowell attempts to add value is through the management of these managers. Prowell strives to synchronize and consolidate a client’s entire financial life, providing a primary point of contact for the client and their existing managers. From there, Prowell provides clients with management of portfolios of excess cash and cash like investments specifically allocated to maintain liquidity.

Asset Management

If you wish us to manage your investment accounts, we will begin by determining investment guidelines, so that we can determine the portfolios which meet your needs. Some examples of guidelines include your risk tolerance, or a maximum amount of assets to be held in non-U.S. investments, or a limit on the amount of stocks in your portfolio. Prowell can assist in developing these guidelines through the financial planning process described below. When we perform asset management services, we generally will do so on a discretionary basis. This means that while your advisor will communicate regularly with you, Prowell will not seek specific approval of changes within your portfolio. If Prowell is managing your assets, you may place reasonable restrictions on the types of investments in an account or portfolio. Because Prowell takes discretion when managing accounts, clients engaging the firm will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) through an Investment Management Agreement that outlines the responsibilities of both the client and Prowell. In limited circumstances, we may provide investment management services on a non-discretionary basis such that we will consult with the client prior to implementing any investment recommendation. Clients should be aware that some recommendations may be time-sensitive, in which case recommendations not implemented because we are unable to reach a non-discretionary client may not be made on a timely basis, and therefore the client’s account may not perform as well as it would have had Prowell been able to reach the client for a consultation on the recommendation. For asset management, because most client assets will be with third party managers many of whom will have pre-existing relationships with the client, the majority of the investments directly managed by Prowell will be in cash or cash-like instruments, mutual funds, and ETFs designed for maximum liquidity and lowest cost. Individual equities and bonds may also be used, if appropriate for a given client. In the directly managed accounts, Prowell is looking for liquidity and potential return profile balances in coordination with other managers, not an independent asset allocation. While not a separate service, PFM may on occasion recommend that a client place assets with a third party investment adviser.

Prowell does not impose a minimum account size or require clients pay a minimum fee. For more detailed information, please refer to our Disclosure Brochure, the ADV Part 2A, under Item 4 Advisory Business and Item 7 Types of Clients available by [clicking here](#).

-  **“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?

All clients will be required to execute a written agreement that will describe the type of services to be provided and the fees, among other items.

For clients who engage Prowell to provide financial organization and management services, Prowell prefers to charge for such services on a fixed fee basis. Fixed fees for asset management services generally range from \$25,000 to \$350,000, based upon the nature and complexity of the account. The fixed fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the work to be performed. The fixed annual fee is paid in quarterly installments, billed in advance. On an ongoing basis, the annual fee will be mutually agreed at the end of the initial engagement, and typically billed quarterly in advance. The ongoing annual fee can be debited from an account that the client designates, or in other such manner that client directs.

In limited circumstances, clients may engage Prowell to provide stand-alone asset management services, where fees are based on a percentage of the assets to be managed, which will vary from 0.00% to 0.65% per annum, based on the amount of assets as well as the type of assets. However, these fees are guidelines, subject to change according to the complexity of the situation. For clients who are billed based upon a percentage of assets under management, fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter.


There are several other fees that can be associated with holding and investing in securities. Clients are responsible for fees including transaction fees for the purchase or sale of a mutual fund and commissions for the purchase or sale of a stock or bond. Mutual fund expenses are not included in management fees because they are deducted from the value of the shares by the mutual fund manager. Prowell does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. 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 specific information regarding our fees, please refer our Disclosure Brochure, the ADV Part 2A under Item 5 Fees and Compensation available by [clicking here](#).

 ***“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. This legal obligation is otherwise known as a “fiduciary duty”. 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. Certain professionals of Prowell are separately licensed as independent insurance agents. As such, these professionals may conduct insurance product transactions for Prowell clients, in their capacity as licensed insurance agents, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as employees of Prowell. These professionals therefore have incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs.

For more specific information regarding our fees, please refer our Disclosure Brochure, the ADV Part 2A under Item 5 Fees and Compensation available by [clicking here](#).


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

How do your financial professionals make money?

Financial professionals of Prowell are paid a portion of the asset management/planning fees collected from clients. Financial professionals are not rewarded sales bonuses.


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


No. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS.

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

Additional Information

Additional information about our investment advisory services can be found at www.Prowell-Financial.com. A copy of our *relationship summary* can also be requested by calling (484)359-4057 or by [clicking here](#).

 ***“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?”***



= Conversation starter. Consider asking your financial professional these questions.