

## **Introduction**

Three Bearings Fiduciary Advisors is registered with the Securities and Exchange Commission (SEC) as an investment advisor. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](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?**

We offer financial planning, investment advisory, tax planning and tax return preparation services to our clients. Portfolio monitoring is offered as part of our standard service. Portfolios are monitored at least quarterly and rebalanced as needed due to market changes or changes in your circumstances.

Accounts are managed on a discretionary basis which means that you authorize Three Bearings Fiduciary Advisors to execute trades on your behalf without asking you in advance. You can place limits on our discretionary authority if you so choose. These limits will be described in the Investment Policy Statement you sign with us. Our discretion will remain in effect until your advisory agreement is terminated or changed by you or us.

For engagements involving investment management, a minimum annual fee of \$3,500 applies, which equates to a total portfolio value of \$200,000. This minimum fee may be waived at our discretion.

**For additional information**, please see Items 4 and 7 of our Firm Brochure (Form ADV Part 2).

### **CONVERSATION STARTERS: 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?***

## **What fees will I pay?**

When engaging us for ongoing financial planning and investment management services, you will be charged a quarterly fee based on the value of your managed investments. The fee schedule is tiered with fees ranging from 1.75% to 0.50% per year. The larger your portfolio, the higher the fee you will pay to us, though larger portfolios will pay a lower fee in percentage terms. We may charge a lower fee based on various criteria. Fees are generally deducted directly from your investment accounts, though you can pay by check.

We also provide services on a fixed-fee basis, generally for smaller portfolios or when financial planning and/or tax-related issues have a heavier emphasis than investment management in the client relationship. These fees are set based on various criteria including portfolio size and expected complexity of the engagement. Fixed fees will vary by client.

We also offer financial planning and consulting on an hourly basis at a rate of \$300/hour. Ongoing portfolio management and monitoring are not included in this service.

The broker-dealer that holds your accounts will also charge transaction fees for purchases and sales of certain investments we select for your accounts. These fees are in addition to the fees you pay to us and

we do not receive any part of these transaction fees. Mutual funds and exchange-traded funds also have internal expenses that will reduce your returns relative to holding individual stocks and bonds directly.

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 additional information, please see Item 4 and Item 5 of our Firm Brochure (Form ADV Part 2).

**CONVERSATION STARTER: Ask your financial professional:**

**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 acting as your investment adviser, we must 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 to help you understand what this means:

Because fees are tied to portfolio size, conflicts can arise between our interests and yours when you need to make decisions that will impact the size of your investment account, such as buying a home or making a similar large purchase. This conflict also arises when you need to make a decision that will increase your portfolio, such as a 401(k) rollover or taking a pension as a lump-sum.

**CONVERSATION STARTER: Ask your financial professional:**

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

**How do your financial professionals make money?**

Our financial professionals are salaried employees whose compensation is tied to their job responsibilities. They do not receive compensation tied to the products or services they sell to you.

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

No. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research our firm and your financial professionals.

### **Additional Information**

For more information about our services visit <https://adviserinfo.sec.gov> and search our firm name or CRD#283926. For additional, up-to-date information or a copy of this relationship summary, please call 603-926-1775.

**CONVERSATION STARTERS: Ask your financial professional:**

**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?**