

Chesme, LLC (d/b/a Chesme Capital Management)
Client Relationship Summary (Form CRS)
March 20, 2024

Chesme Capital Management (“Chesme,” “we,” “our” or “us”) is registered with the Securities and Exchange Commission as an investment adviser under the name Chesme, LLC. 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 financial professionals and firms at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational material about broker-dealers, investment advisers and investing.

What investment services and advice can you provide me?

We provide investment advisory services, including financial planning and portfolio management services. Financial planning services are customizable and can include plans to reach your individual financial goals, retirement income planning or working with other licensed professionals to perform insurance, income tax, estate or other types of planning. Portfolio management services, which includes determining the allocation of asset categories within your account and determining (and monitoring) the securities to be held in your account, are provided on both a stand-alone basis and in conjunction with financial planning services. Chesme also uses a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion.

We predominately utilize mutual funds and, to a much lesser extent, individual fixed income securities in client accounts. We have discretionary authority over your account when providing portfolio management services, which means we do not need to get your permission before buying or selling a security in your account. Our Investment Committee regularly monitors the individual securities utilized in all client accounts and your Chesme advisor monitors your account as needed, but on an annual basis at a minimum. Financial planning does not include ongoing monitoring unless you are also utilizing portfolio management services. There is no minimum account size for any advisory service, but there is a minimum portfolio management fee, as described below.

MORE DETAILED INFORMATION ABOUT SERVICES WE OFFER CLIENTS CAN BE FOUND IN OUR FORM ADV PART 2A, ITEMS 4 AND 7, WHICH IS AVAILABLE AT: <https://chesme.com/>.

*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?

We typically charge financial planning clients a negotiable flat fee, either quarterly or annually, based on the complexity of the services provided. You will typically be charged as a flat annual fee (\$500 to \$25,000 negotiable) or charged based on an hourly rate (\$150-300/hour). Financial planning fees are solely for the preparation and reporting of the plan, not implementation of the recommendations. We charge portfolio management clients a fee at the end of each quarter based on the average daily value of the cash and investments in the account during the quarter ranging from 0.10% to 1.00% for legacy clients, 0.25% to 1.00% for clients engaging us after 4/1/2024, or a flat fee of \$500 for balances less than \$50,000.

A fee structure based on the size of your account creates a conflict of interest. The more assets there are in your account, the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account.

When advising individuals on employee benefit plans pursuant to ERISA, Chesme will utilize a platform called Pontera. For this service, Chesme charges clients a fee based on a percentage of the aggregate market value, based on the average daily balance of a client’s account(s) held at Pontera. The standard fee for this management is the greater of .50% or \$200 annually, to be paid quarterly in arrears. These assets and the fees associated with managing these assets is separate from the assets utilized to calculate the fee schedule above.

You will also incur costs, in addition to the fees you pay to us, related to our advisory services. Common examples of these costs include custodial fees, fees associated with the mutual funds we recommend, transaction fees and fees paid to third parties assisting with financial planning. 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 investment over time. Please make sure you understand what fees and costs you are paying.

MORE DETAILED INFORMATION ABOUT FEES AND COSTS CAN BE FOUND IN YOUR INVESTMENT MANAGEMENT AGREEMENT AND OUR FORM ADV PART 2A, ITEM 5, WHICH IS AVAILABLE AT: <https://chesme.com/>.

*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 is an example to help you understand what this means. Persons providing investment advice on behalf of our Firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees.

MORE DETAILED INFORMATION ABOUT CONFLICTS OF INTEREST CAN BE FOUND IN OUR FORM ADV PART 2A, WHICH IS AVAILABLE AT: <https://chesme.com/>.

*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 paid a salary and a bonus based on their overall contribution to the success of the firm. Certain professionals have an ownership stake in the firm and share in profits.

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

No. We encourage you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

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

Additional information about our investment advisory services can be found on our website at <https://chesme.com/> or by reviewing our Form ADV at adviserinfo.sec.gov/firm/summary/288631. For up-to-date information or to request a copy of this Form CRS, please call us at (517) 669-1600.

*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? **

Material Changes: We have amended our fee ranges for clients engaging our firm starting 4/1/24.