

## FamilyWealth Advisers, LLC; Form CRS Customer Relationship Summary

Dated March 31, 2022

### **Item 1. Introduction**

Recently enacted regulations require Registered Investment Advisers to provide clients with a Relationship Summary (“Form CRS”). FamilyWealth Advisers, LLC (“FWA”) is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. FWA is not a broker/dealer. Essentially, investment advisers charge for advice and not transaction-based compensation (“commissions”), whereas broker/dealers charge commissions for transactions, and advice, if any, that may be provided incidental to the transaction, and is not charged separately. 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 [www.Investor.gov/CRS](http://www.Investor.gov/CRS), which also provides educational materials about broker/dealers, investment advisers, and investing.

### **Item 2. What investment services and advice can you provide me?**

We offer investment advisory services to retail investors, utilizing mutual funds, stocks, bonds, exchange-traded funds (“ETFs”) and other securities. The Investment Adviser Representative (“IARs”) can manage and construct the portfolio himself/herself, or utilize one of the models that consist of various asset allocations into models developed by 3<sup>rd</sup> party asset managers. Those models consist of mutual funds, ETFs and alternative products. The limitations on such services are that, in order to determine the appropriate fit for your investment objectives, the process is qualitative and therefore subject to the judgment by IARs, including the selection of which 3<sup>rd</sup> party models are most appropriate, which may or may not be, in retrospect, the best fit. Investment monitoring occurs as often as quarterly, but can also occur on an annual cycle. FWA accepts discretionary investment authority if desired by the client. There are generally no minimums for retail accounts (minimum account size is negotiable).

FWA may exercise discretionary authority for model construction, portfolio selection and portfolio rebalancing. The material limitations are that the client relinquishes control over the investment decision-making process and is reliant upon the qualitative judgment of the IAR. The circumstances that create discretionary authority are the Client Agreement/Investment Management Agreement (“IMA”) between FWA and the client, as well as any Power of Attorney that the client elects to sign with FWA. Such powers are generally in effect indefinitely, although the client may cancel them at any time. FWA also offers nondiscretionary services, which means that the retail investor makes the ultimate decision regarding the purchase and/or sale of investments. For additional information, please see Form ADV, Part 2A Brochure (Items 4 and 7 of Part 2A) and your IMA.

To facilitate a greater understanding of our services, you could ask your financial professional questions such as (1) **Given my financial situation, should I choose an investment advisory service?; Why or why not?;** (2) **How will you choose investments for me?;** (3) **What is your relevant experience, including your licenses, education and other qualifications?;** (4) **What do these qualifications mean?**

### **Item 3. Fees, Costs, Conflicts and Standard of Conduct**

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

The principal fees and costs for retail investors with a managed account will be an asset-based fee (*fee is a % of the value of (i) the assets under management or (ii) assets subject to non-discretionary investment advice*). Fees are assessed quarterly in advance, and a *pro rata* refund is issued if investment advisory services are terminated prior to the end of the current quarter. The highest asset-based fee is 1.50%, but upon agreement of both the Client and the IAR, FWA may reduce the fee percentage as the assets under management increase.

For retirement plan consulting, the highest asset-based fee is 1%, and scales down as the aggregate plan assets increase. Fixed fees are also an option, but they are the exception rather than the norm. Fees are generally assessed quarterly, although with some custodians, they may be assessed monthly. Such asset-based fees create a conflict of interest in the sense that the more assets there are in a retail investor's account, the more a retail investor will pay in fees, and FWA may therefore have an incentive to encourage retail investors to increase assets in his/her account(s).

Our fees do not include brokerage commissions, other transaction fees and other related costs and expenses. You may incur certain charges imposed by custodians, third party investment companies and other third parties. These include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, money market funds and ETFs also charge internal management fees. Commission-based and non-commission-based mutual funds may pay annual distribution or service charges, sometimes referred to as "12(b)(1) fees". These 12(b)(1) fees come from fund assets, and thus indirectly from clients' assets. We do not receive 12(b)(1) fees, and we strive to use Adviser share classes, which means they do not charge commissions (only a % of the account value). 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 5 – Fees and Expenses, in Form ADV, Part 2A Brochure. See also Items 4 and 7 of Part 2A Brochure, as well as the IMA that you signed. This Form, along with the Brochure, shall constitute part of the disclosure of direct and indirect fees as contemplated in ERISA 408(b)(2), but if such an ERISA disclosure is applicable, a separate disclosure document will also be provided.

To facilitate a greater understanding of our services, you could ask your financial professional questions such as: (1) Could you help me understand how these fees and costs might affect my investments?; (2) If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?; (3) **What are your legal obligations to me when acting as my investment adviser?; (4) 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 affect the recommendations we provide you. Here are some examples to help you understand what this means: (i) compensation based upon assets that FWA or its IARs manage or advise creates a conflict of interest because more assets in

the account results in more compensation, (ii) IAR's/FWA's choice of which custodian to use can be impacted by a conflict of interest and (iii) some FWA IARs provide securities brokerage or insurance services, and therefore those IARs, who are registered as an insurance agent (of an insurance agency) or registered representative (of a broker/dealer), will receive a commission for those transactions, and those IARs may have a conflict of interest to advise clients to use assets from their investment advisory account for securities/brokerage purpose, which are outside of the scope of FWA. Also, fees are paid to technology/process companies in our network.

To facilitate a greater understanding of our services, you could ask your financial professional questions such as: **How might your conflicts of interest affect me, and how will you address them?** For additional information, you could ask for and refer to Form ADV, Part 2A Brochure, including Items 4, 7 and 11, the latter of which refers to our Code of Ethics.

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

FWA's IARs, if employees of FWA or a related company, are provided a base salary, plus a % of the amount of assets they manage or advise. If the FWA IARs are not employees, they are compensated only by a % of the assets that they manage or advise. Compensation for the amount of client assets that they service creates an incentive and a conflict of interest to obtain as much assets in the account as possible. Account value compensation practices generally also create an incentive to take more risk in the account to grow the value, which results in more compensation. On the contrary, compensation does not consider the time and complexity required to meet a client's needs, the product sold or product sales commissions. Also, our Brochure has more information about fees, conflicts and standards of conduct.

#### **Item 4. Do your financial professionals have legal or disciplinary history?**

Our financial professionals do not have a disciplinary history. Thus, they neither disclose, nor are required to disclose disciplinary or legal information in a Form ADV or Form BD (unless not released to BrokerCheck) or Items 14 A-M on Form U4, Items 7A or C-F of Form U5, or on Form US (unless not released to BrokerCheck). Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

To facilitate a greater understanding of our services, you could ask your financial professional questions such as: **(1) As a financial professional, do you have any disciplinary history?; (2) If so, for what type of conduct?**

#### **Item 5. Additional Information**

For additional information about our services, or if you would like additional, up-to-date information or a copy of this disclosure, please call Patrick Jolliffe (303) 256-6494 for general/compliance questions or Bill Oakley at (866) 746-3743 for questions related to investments or portfolio management/strategy. More important information is contained in our ADV Part I and Part IIA (Brochure).

To facilitate a greater understanding of our services, you could ask your financial professional questions such as **(1) Who is my primary contact person?; (2) Is he or she a representative of an investment-adviser or a broker-dealer?; (3) Who can I talk to if I have concerns about how this person is treating me?**