

## Hermitage Wealth Management, Inc.– Form CRS

### **Item 1 – Introduction**

Hermitage Wealth Management, Inc. d/b/a Hermitage Wealth (“HW,” “we” or “us”) is registered with the Securities Exchange Commission (“SEC”) as an investment adviser. Our services and compensation structure differ from a registered broker-dealer, and it is important for you to understand the differences between those structures. Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS). The site also provides educational materials about broker-dealers, investment advisers and investing. The italicized sentences appearing in text boxes below are intended to be “conversation starters” for you to have with us, as required by the instructions to Form CRS.

### **Item 2 – Relationships and Services**

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

HW offers to provide investment advisory services, retirement plan consulting services, and financial planning services, and related consulting services to individuals, high net worth individuals, their affiliated trusts and estates, and businesses (“clients,” or “you”). We generally provide our investment advisory services in conjunction with one or more third-party managers, either as the client’s adviser, as a co-adviser, or as a promoter. The specific capacity in which we will act will be agreed upon or otherwise disclosed to you prior to our commencement of services. Except with respect to promoter arrangements, we monitor portfolios periodically and make or propose changes to them as we deem necessary. Third-party managers to which client assets are allocated will generally maintain discretionary investment authority over such assets. However, you can place reasonable restrictions on the discretionary authority by notifying us or the third-party manager, as appropriate.

We do not have to limit the type of securities we trade for clients to proprietary products or a limited group or type of investment, but the third-party managers used for client account management generally construct and manage portfolios consisting primarily of various mutual funds, exchange traded funds (“ETFs”), individual equity and fixed-income securities, cash and cash equivalents consistent with the client’s designated investment objectives. While we do not impose any mandatory requirements for opening or maintaining investment advisory accounts, we do reserve the right to accept or reject any client. Third-party managers may apply their own minimum asset level or minimum annual fee requirements, to which our clients would generally be subject.

We also offer financial planning and consulting services on a stand-alone, separate fee basis. When we provide those services, we rely upon the information clients provide and do not verify or monitor it before or after we provide the services. Our financial planning and consulting services are generally provided for a one-year term, unless sooner terminated. For more detailed information about our Advisory Business and the Types of Clients we generally service, please see Items 4 and 7, respectively in our Form ADV Part 2A Brochure.

<i>Given my financial situation, should I choose an investment advisory service? Why or why not?</i>
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<i>How will you choose investments to recommend to me?</i>
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<i>What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?</i>
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### **Item 3 – Fees, Costs, Conflicts, and Standard of Conduct**

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

HW’s standard fee for investment advisory services will be prorated and charged quarterly based on a percentage of the market value of the assets placed under HW’s management, ranging from 0.40% to 1.50%. For financial planning and consulting services, HW’s fees can range from \$1,000 to \$20,000 on a fixed-fee basis, or \$200 to \$2,000 per hour, according to the terms of a stand-alone financial planning and consulting agreement.

Your account will be held with a qualified custodian. Custodians and their affiliated or unaffiliated broker dealers generally charge transaction fees for executing certain types of securities transactions and for costs to maintain your investment account according to their fee schedules. Those fees and expenses include but are not limited to transaction charges, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. If your assets are invested in mutual funds, ETFs, or other registered and unregistered investment companies, you will bear your pro rata share of the investment management fees and other fees of the funds, which are in addition to the fees you pay us. These fees and expenses are described in each fund’s prospectus or other offering documents. To the extent engaged, you may also incur separate investment management fees charged by any independent investment manager(s) retained

to manage your investment assets. 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 detailed information about our fees and costs related to our management of your account, please see Items 5 and 7 in our Form ADV Brochure.

*Help me understand how these fees and costs might affect my investments. If I give you \$250,000 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:

\* Certain of our financial professionals may offer commission-based securities or insurance products. This presents conflicts of interest, because they can recommend that you purchase commission-based products based upon the compensation they will receive, rather than your individual need. You are not under any obligation to purchase those products.

\* We may recommend a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support makes us more inclined to continue using and recommending them.

\* We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee. If we do not currently manage your account held with your employer's plan, this will increase our compensation.

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

For more detailed information about our conflicts of interest, please review Item 4, 5, 8, 10, 11, 12, and 14 of our Form ADV Part 2A Brochure.

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

Some of our financial professionals are equity owners, who stand to earn a share of HW's profits. This structure presents a conflict of interest because it could incentivize our financial professionals to recommend that you increase the amount of assets under our management. We mitigate that conflict by making investment recommendations in conformity with each client's investment objectives. You should discuss your financial professional's compensation directly with your financial professional.

**Item 4 – Disciplinary History**

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

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

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

**Item 5 – Additional Information**

Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may contact our Chief Compliance Officer at 804-270-7877 to request a current copy of our Form ADV Part 2A Brochure or our relationship summary.

*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 this person is treating me?*