

Chatterton & Associates, The Wealth Management Team, Inc. (Chatterton & Associates)

March 2023

Relationship Summary (Form CRS)

Introduction

Chatterton & Associates (referred to as “we” or “us”) is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. 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 investment advisory services to retail investors. We primarily provide asset management services where we manage your investments after we work with you to understand your financial situation, goals, objectives and risk tolerance. When managing accounts, we primarily use the following investment types; mutual funds, exchange traded funds (ETFs), and individual equities and bonds. We monitor the performance of mutual funds monthly and we monitor your account annually. We will review your account more frequently upon your request or major market events.

We manage accounts on a non-discretionary or discretionary basis. If you select non-discretionary, you make the ultimate decision regarding the purchase or sale of investments. If you select discretionary, we will buy and sell securities in your account when we determine it is necessary. This means that we do not consult with you prior to trading. You provide us with authority in our investment advisory agreement and it remains in place until one of us terminates our relationship.

We have a \$200,000 household minimum to establish/maintain a management relationship, but we will waive this for relatives of existing clients.

Additional information about our investment advisory services is available in our [Form ADV Part 2A Firm Brochure](#) (see Items 4 and 7). If you are viewing a paper version of this form, please visit ChattertonInc.com/CRS for a hyperlink to this document.

➤ QUESTIONS TO 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 licenses, education and other qualifications? What do these qualifications mean?

What fees will I pay?

We charge an asset-based fee that is a percentage of your account, including cash holdings. We charge advisory fees quarterly in arrears, and you pay this fee regardless of whether there are transactions in your account. We have an incentive to encourage you to increase the value of your account over time which will increase our fees over time.

The custodian that holds your assets will charge you a transaction charge when we buy/sell certain mutual funds or ETFs for you. These transaction charges are in addition to our advisory fee. If we engage in frequent trading, you will pay more in transaction charges and this will negatively impact your account performance and increase the overall cost of your account. Although you will not pay transaction charges when we buy or sell equities or bonds for you, we will pay ticket charges to the broker-dealer where we place these trades. This creates a conflict of interest and financial incentive for us to avoid equity and bond transactions in your account or to place trades less frequently. We will also consider these transaction charges when we consider the level of your advisory fee. You will also incur, as applicable, charges imposed by the custodian or another third-party including, but not limited to: custodian fees; retirement account maintenance fees; fees related to mutual funds and exchange-traded funds; and other transactional fees and product-level fees.

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.

Additional information about fees and expenses is available in our [Form ADV Part 2A Firm Brochure](#) (see Item 5). If you are viewing a paper version of this form, please visit ChattertonInc.com/CRS for a hyperlink to this document.

➤ QUESTIONS TO 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 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.

Our financial professionals are registered as securities representatives of a broker-dealer. These financial professionals may offer securities and receive commissions when placing securities transactions separate from offering investment advice through us. This is a conflict of interest if the financial professional recommends that you invest in a security which results in a commission being paid to the financial professional.

There is a conflict of interest regarding rollovers if you are a participant in an employer-sponsored retirement plan and request help from us when deciding whether to liquidate and withdraw funds from your plan and rollover the proceeds into an IRA. A conflict exists because we will only be compensated if you rollover the proceeds into an account that we manage. Therefore, we have a financial incentive to recommend one option over another.

Additional information about our conflicts of interest is available in our [Form ADV Part 2A Firm Brochure](#) (See Item 5 & 10). If you are viewing a paper version of this form, please visit ChattertonInc.com/CRS for a hyperlink to this document.

➤ QUESTIONS TO 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 paid a base annual salary and benefits. They also receive a discretionary bonus based on the profitability of our firm. Our financial professionals may sell securities to clients and receive compensation in the form of commissions and 12b-1 fees. However, such compensation will not be received in connection with investments made in SEI accounts that we provide ongoing asset management services for. Our financial professionals have also received support in the form of forgivable loans from the broker-dealer/custodian where they hold their securities licenses. To the extent our financial professionals maintain a relationship with the broker-dealer for five years, the loan will be forgiven. The receipt of the loans presents a conflict of interest as our financial professionals have a financial incentive to recommend that you hire us to manage your money and maintain your assets at the custodian for the loans to be forgiven.

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

No. You may visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

➤ QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

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

Additional information

You can find additional information about our investment advisory services on the SEC's website at www.adviserinfo.sec.gov by searching our CRD # 132295. You may also contact our firm at (714)-572-2050.

➤ QUESTIONS TO 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?

Chatterton & Associates Retirement Account Disclosure

Disclosure to Client: When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some potential conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

For a written description of the services we provide, and the material conflicts of interest that exist when we provide services to you, please refer to our disclosure documents including our Form ADV Part 2A: Firm Brochure and Relationship Summary (Form CRS). These disclosure documents are available through your Chatterton & Associates advisor or on our website, www.ChattertonInc.com.

Please note that your Chatterton & Associates advisor will work with you to gather information regarding your current retirement plan (Plan) or individual retirement account (IRA) so that we can determine whether it is appropriate to recommend that you roll over your account assets into an account that we manage for you. We will only recommend that you roll over your account if we believe it is in your best interest to do so, so it is critical that we have access to information about your current plan or account in order to compare it to what we offer through Chatterton & Associates. Here are examples of the type of information we will request regarding your existing plan or account:

- Fees and expenses
 - For IRAs, this information can be found in your most recent quarterly statement.
 - For Plans, this information can be found through your retirement plan portal or Human Resources department in a summary plan description, 404(a)(5) report and/or quarterly benefit statements.
- Type and range of investment alternatives that are available to you in the plan
- Services available to you as a member of the plan
- Access to assets, distributions and other plan or account features (such as loan provisions)

It is also important that you understand your available options when considering transferring or rolling assets out of a Plan or IRA. Your options are (i) remain invested under your existing Plan or IRA (if available), (ii) transfer assets to a new Plan (if available), (iii) transfer assets to a new IRA with a financial institution such as Chatterton & Associates, or (iv) withdraw assets directly, which would be subject to federal and applicable state and local taxes and possibly be subject to the IRS penalty depending upon your age.

If you have any questions, we encourage you to ask your Chatterton & Associates advisor.

A place you feel understood 

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Advisory and financial planning services offered through Chatterton & Associates, a registered investment adviser. The Investment Advisor Representatives of Chatterton & Associates also offer securities through **Osaic Wealth, Inc.**, member FINRA/SIPC. Planning You Can Trust is a marketing and communications name for financial and tax planning services offered through Chatterton & Associates and estate planning services offered through The Law Office of James F. Roberts. Listed entities are not affiliated with **Osaic Wealth, Inc.** Neither **Osaic Wealth, Inc.** nor its representatives provide tax or legal advice.