



## Client Relationship Summary for Elmwood Wealth Management – March 5, 2024

Elmwood Wealth Management is an investment advisor registered with the Securities and Exchange Commission (“SEC”). 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 firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Our firm offers personalized financial planning and investment advisory services to *retail investors* by working with you to identify your overall financial and investment goals. We develop strategies to reach your goals by selecting an asset allocation and investment plan to meet your specific objectives. We will help facilitate and/or implement our recommendations for you and manage your investment portfolio.

Our firm provides *discretionary* asset management for non-qualified (taxable) accounts and qualified (retirement) accounts. With *discretionary* management, we make the investment decisions, without your prior approval, when we deem necessary and appropriate. We require a one-year minimum commitment due to the amount of time and resources on-boarding you as a new client, completing your financial plan and executing your investment strategy. Our firm does not have a minimum account size; however, minimum annual fees will apply. The portfolios we manage are monitored and reviewed on an on-going basis. Accounts under our management are reviewed no less than quarterly by our financial professionals.

**For additional information**, please see our Form ADV, Part 2A brochure, specifically items 4 and 7. Below are questions to begin the conversation:

- *Given my financial situation, should I use an investment advisory service? Why or Why Not?*
- *How will you choose the investments recommended to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### WHAT FEES WILL I PAY?

Our firm has three primary service models with different fee schedules. Please make sure you understand what fees and costs you are paying. 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 overtime.

**Full Service** – It is a Tiered Fee Schedule with a minimum annual fee of \$7,500 and minimum assets under management of \$750,000. Our Full-Service Model includes ongoing investment management, financial planning services, and advisor advice and meetings. Tiered Schedule: \$0-2,000,000 at 1.00% - Next \$2,000,001 -5,000,000 at 0.80% & \$5,000,001 and above at 0.50%

**Core Service** – Fee Schedule - Minimum Annual Fee of \$4,000 or Balance of Assets based on the tiered fee schedule, whichever is greater, and minimum assets under management of \$500,000. Tiered Schedule: \$0-2,000,000 at 0.750% - Next \$2,000,001 -5,000,000 at 0.60% & \$5,000,001 and above at 0.40%. After the first year, our service transitions to an investment management relationship only. Financial planning, ongoing advice and advisor meetings are on demand and have an hourly charge of \$225 for professional time and \$95 for staff time.

**Fixed Income** – Fee Schedule - Minimum Annual Fee of \$2,500 or Balance of Assets based on the fee schedule, whichever is greater, and minimum assets under management of \$500,000. Fee Schedule: All Assets – 0.50%.



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**For more information**, please see our ADV Part 2A brochure, Item 5.

Below are questions to begin the conversation:

- *Help me understand how these fees and costs can affect my investments. If I give you \$10,000 to invest, how do the fees affect my returns and the amount you invest 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.

- When clients add money to their accounts, transfer assets, or roll over funds from an employer 401k plan, we earn more in management fees when funds are added to accounts.

We make money by the asset-based management fees we charge you. A small portion of our compensation comes from consulting fees and client portal fees from former clients. We do not receive compensation from third parties when making a referral to a CPA or Estate Attorney, nor do we receive compensation from buying or selling investments for your account.

**For additional information**, please see our Form ADV, Part 2A brochure, specifically Items 4 and 10.

Ask us the following question:

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

### **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our firm's financial professionals share in the firm revenue. Our cash compensation is based on an annual salary and bonus payments from the investment management fees we collect. When client portfolio assets are appreciating or you add money to the account, we make more money; when our client portfolio assets decline, we make less. Non-cash compensation the principals of the firm receive are in the form of payments made for benefits such as healthcare, life insurance and cell phones.

### **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No, the firm and its financial professionals do not have any disciplinary history. Visit [Investor.gov/CRS](https://investor.gov/CRS) **for a free and simple search tool to research your financial professionals**. Below is an example of a question to begin the conversation:

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

### **WHERE CAN I FIND ADDITIONAL INFORMATION ABOUT YOUR ADVISORY SERVICES?**

We recommend that you complete your own research on us and any investment professional you are thinking about using by going to the [Investor.gov/CRS](https://investor.gov/CRS) website. The website is free and has a search tool to research financial professionals. You may also contact Shannon Lemon, our Chief Compliance Officer, if you would like a copy of our firm brochure. Our firm brochure describes our firm practices in greater detail. Please contact Shannon if you have additional questions [shannon@elmwoodwealth.com](mailto:shannon@elmwoodwealth.com) or (510) 858-2722. For additional information on our investment advisory services and to request a copy of the relationship summary, go to IAPD at [adviserinfo.sec.gov/165639](https://adviserinfo.sec.gov/165639).

Below are questions to begin the conversation:

- *Who will my primary contact person be? Is he or she a representative of Elmwood or Charles Schwab?*
- *Who should I contact if I have concerns about the financial professional, I am working with?*



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### **Material Changes:**

- We have updated our asset and fee minimums.