

# Form ADV Part 3 – Client Relationship Summary

Date: 05/13/2020

## Item 1: Introduction

TUMWATER WEALTH MANAGEMENT, LLC is an investment advisor registered with the Securities and Exchange Commission offering advisory accounts and services. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free, simple tools to research firms and for educational materials about broker-dealers, investment advisors, and investing.

## Item 2: Relationships and Services

**What investment services and advice can you provide me?** Our firm primarily offers the following investment advisory services to retail clients:

**Financial planning and guidance** - We work with you

- To come to a thorough understanding of your financial situation and goals,
- To develop a detailed plan to achieve those goals, and to guide you to make well-thought-out decisions through the inevitable twists and turns life and markets will throw at you over time

**Portfolio management** - We work with you to develop and manage your portfolio, investment strategy, and specific investments.

As part of our standard services, our portfolio management and trading system monitors client accounts on a daily basis. Our firm offers both discretionary advisory services (where our firm makes the decision regarding the purchase or sale of investments) as well as non-discretionary services (where the retail investor makes the ultimate decision). We limit the types of investments that are recommended (typically mutual funds, exchange traded funds (ETFs) and less frequently, individual stocks and bonds) since not every type of investment vehicle is needed to create an appropriate portfolio. Our minimum account size is \$5,000. Please also see our Form ADV Part 2A ("[Brochure](#)"), specifically Items 4 & 7.

**Other good questions to ask us:** *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?*

## Item 3: Fees, Costs, Conflicts, and Standard of Conduct

**What fees will I pay?** Our fees vary depending on the services you receive.

### 1. Holistic Financial Planning and Investment Management:

Our primary service offering is holistic financial planning and investment management. To qualify for this service we require a minimum household value of \$500,000 and we charge a maximum of 1% of the assets under our management (AUM) per year for this service. That fee rate decreases at specific asset levels – as a client's assets with us increase, the fee rate decreases. Notice though that, in general, the more assets you have in your advisory account(s), the more you will pay us and thus we have an incentive to increase and grow those assets.

### 2. Holistic Financial Planning Only:

For client households with less than \$500,000 we offer holistic financial planning as a standalone service for a monthly fee of \$249/mo.

### 3. Investment Management Only:

For client households with less than \$500,000 we offer investment management as a standalone service for 0.50% per year.

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Notice that #2 - Holistic Financial Planning Only and #3 - Investment Management Only can be combined to receive the same level of service as #1 - Holistic Financial Planning and Investment Management for those households with less than \$500,000 of assets.

Asset-based financial planning and portfolio management fees are paid quarterly, in advance. Fixed Financial Planning fees are paid monthly, in advance. Asset-based pension consulting fees are paid quarterly, in arrears or in advance depending on the custodian. You pay our fees even if you do not have any transactions and the advisory fee paid to us generally does not vary based on the type of investments selected. Please also see Items 4, 5, 6, 7 & 8 of our [Brochure](#).

Some investments (e.g., mutual funds, ETFs, etc.) impose additional fees (e.g., transaction fees and product-level fees) that reduce the value of your investment over time. Additionally, you will pay transaction fees, if applicable, to the custodian when we buy or sell an investment for your account. **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.** Please also see our [Brochure](#) for additional details.

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, 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 (see heading immediately below).

**How do your financial professionals make money?** Primarily, we and our financial professionals receive cash compensation from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. Please also see Item 10 of our [Brochure](#) for additional details.

**Other good questions to ask us:** *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? How might your conflicts of interest affect me, and how will you address them?*

## Item 4: Disciplinary History

Do you or your financial professionals have legal or disciplinary history? We do not have legal or disciplinary events. Visit <https://www.investor.gov/> for a free, simple search tool to research us and our financial professionals.

**Other good questions to ask us:** *As a financial professional, do you have any disciplinary history? For what type of conduct?*

## Item 5: Additional Information

For additional information on our advisory services, see our [Brochure](#) available at <https://adviserinfo.sec.gov/firm/summary/300443> and any individual brochure supplement your representative provides. If you have any questions, need additional up-to-date, or want another copy of this Client Relationship Summary, then please contact us at (208) 314-2114.

**Other good questions to ask us:** *Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

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## Exhibit A – Material Changes to Client Relationship Summary

This is the initial version of the Client Relationship Summary. There are no material changes.