

## Introduction

Our firm, TLWM Financial is an investment adviser registered with the Securities and Exchange Commission. We feel that it is important for you to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

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

We are a registered investment adviser that offers investment advisory services for an ongoing asset-based fee. Our advisory services available to retail investors include Asset Management, and for certain legacy clients, Wrap Asset Management. If you open an advisory account with our firm, we'll meet with you to understand your current financial situation, existing resources, goals, and risk tolerance. Based on what we learn, we'll recommend a portfolio of investments that is monitored at least quarterly, and if necessary, rebalanced to meet your changing needs. We'll offer you advice on a regular basis and contact you at least annually to discuss your portfolio. Financial planning is also offered as a separate service for an additional flat and/or hourly fee.

We manage accounts on a discretionary basis. After you sign an agreement with our firm, we're allowed to buy and sell investments in your account without asking you in advance. Any limitations will be described in the signed advisory agreement. We will have discretion until the advisory agreement is terminated by you or our firm. We do not restrict our advice to limited types of products or investments and our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us. Certain LPL sponsored program have minimum asset levels for participation, and these are outlined in Item 7 of our Firm Brochure.

**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 those qualifications mean?

## What fees will I pay?

You will be charged an ongoing quarterly fee based on the value of the investments in your account. Our maximum annual fee is 2.25%. Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account. The more assets you have in your advisory account, the more you will pay us. We therefore have an incentive to increase the assets in your advisory account in order to increase our fees. Our firm's fees will be automatically deducted from your advisory account, which will reduce the value of your advisory account. In rare cases, our firm will agree to send you invoices rather than automatically deduct our firm's fees from your advisory account.

Our maximum flat fee is \$10,000 and/or maximum hourly rate is \$600 for our Financial Planning & Consulting service. We may charge an upfront retainer when you sign an agreement with the remainder due when we provide a financial plan or consultation.

The broker-dealer who holds your assets charges a transaction fee when we buy or sell certain investment products for you. These transaction fees are in addition to our firm's fees for our Asset Management service whereas we pay the transaction fees for our legacy Wrap Asset Management service. The fees for our wrap fee programs are therefore higher than a typical asset-based advisory fee. You may also pay charges imposed by the broker-dealer for holding certain investments and maintaining your account. Some investments, such as mutual funds, exchange traded funds, and variable annuities, charge additional fees that will reduce the value of your investments over time. In certain cases, we may refer you to outside managers to assist us in managing your account. If selected, they will charge you a fee, which will be described to you in their Form ADV and/or agreement. You will pay fees and costs whether you make or lose money on your investments which will reduce any amount of money you make on your investments. Please make sure you understand what fees and costs you are paying.

**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?

## 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. For example:

Some of our Financial Professionals are registered representatives of LPL Financial LLC ("LPL"), an SEC registered broker-dealer and investment adviser. Your Financial Professional may offer you brokerage services through LPL or investment advisory services through our Firm. Brokerage services and investment advisory services are different, and the fees we, and

LPL, charge for those services are different. It is important that you understand the differences. In particular, your Financial Professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing LPL's relationship summary and discussing with your Financial Professional.

TLWM has also received a repayable loan through LPL's premium buyer program for the acquisition of advisory client relationships. The terms of this loan contain interest rates more favorable than our firm would have received via outside financing. Additionally, the loan contains various clauses that incentivize our firm and representatives to remain affiliated with LPL and bring new assets to the platform.

Our firm is licensed as an insurance agency. Our advisory representatives may offer fixed insurance products and receive normal and customary commissions as a result of any purchases made by the clients.

For our wrap services provided to legacy clients, we pay the broker-dealer's transaction fees charged to you for most types of assets. This creates an incentive to limit trading activity and recommend security types that do not incur transaction fees in order to reduce the amount of transaction fees that we will have to pay on your behalf.

**Questions to Ask Us:** 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 compensated based on the revenue our firm earns from their advisory services or recommendations, the amount of client assets they service, and the time and complexity required to meet a client's needs. They are also compensated via product sales commissions in their capacities as registered representatives, and insurance agents as described in the preceding section.

Furthermore, LPL Financial has provided Enzo T. Pellegrino with forgivable loans. On February 2020, Mr. Pellegrino received a loan from LPL Financial in the amount of \$100,000, forgivable over a period of 5 years. On December 2022, Mr. Pellegrino received the second loan in the amount of \$60,000, forgivable over a period of 7 years. On July 2023, Mr. Pellegrino received another loan in the amount of \$15,270 from LPL Financial, forgivable over a period of 7 years. Mr. Pellegrino received an additional forgivable loan from LPL Financial in October of 2023 in the amount of \$800,000. This loan is to be forgiven over a period of 7 years, contingent upon Mr. Pellegrino executing a succession plan approved by LPL Financial. On February 2024, Mr. Pellegrino received a forgivable loan from LPL Financial in the amount of \$44,606, forgivable over a 3-year period. Forgiveness of the loans, in whole or in part, is conditioned on Enzo T. Pellegrino remaining affiliated with LPL may be based on the amount of business TLWM engages in with LPL Financial, including, but not limited to, the amount of client assets TLWM maintains with LPL Financial and/or using LPL Financial as the custodian for a certain percentage of all new client accounts, and as such, Mr. Pellegrino has a financial incentive to recommend that its clients maintain their accounts with LPL Financial.

Additionally, LPL Financial has agreed to compensate Enzo T. Pellegrino a percentage of all new assets he brings to the LPL Platform. The receipt of such compensation creates further incentive for Mr. Pellegrino to recommend clients maintain accounts with LPL Financial. TLWM addresses this conflict by adherence to our fiduciary duty to act in the client's best interest. We encourage you to discuss any such conflicts of interest with your representative before making a decision to custody your assets at LPL Financial.

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

No, our firm and financial professionals do not have any legal and disciplinary history to disclose. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

**Questions to Ask Us:** As a financial professional, do you have any disciplinary history? For what type of conduct?

### **Additional Information**

You can find additional information about our firm's investment advisory services on the SEC's website at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov) by searching CRD #158305. You may also contact our firm at 1-877-348-8822 to request a copy of this relationship summary and other up-to-date information.

*Additional information about our advisory services, fees, and conflicts of interest are located in Items 4, 5, and 10/12, respectively, of our Firm Brochure, which is available online at <https://adviserinfo.sec.gov/firm/summary/158305>.*

**Questions to Ask Us:** 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?