



Prentice Wealth Management, LLC

Form CRS Customer Relationship Summary [June 30, 2020]

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| <p><b>Introduction</b></p>  | <p>Prentice Wealth Management is registered with the Securities and Exchange Commission (SEC) as both a broker-dealer and an investment adviser [and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC)]. 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, which also provides educational materials about broker-dealers, investment advisers, and investing.</p>                                |   |
| <p><b>{What investment services and advice can you provide me?}</b></p> | <p>We offer both brokerage and investment advisory services to retail investors.</p> <p><b>Brokerage Services</b><br/>         While mainly a fee-based advisory firm, some advisors of PWM are Registered Representatives of Cadaret, Grant &amp; Co., Inc., a FINRA-member securities broker/dealer, and retain the option of selling commission-based products such as:</p> <ul style="list-style-type: none"> <li>• Annuities</li> <li>• Insurance</li> <li>• Stocks</li> <li>• Bonds</li> <li>• Exchange Traded Funds</li> <li>• Mutual Funds</li> <li>• Limited Partnerships</li> </ul> <p>within brokerage accounts held by that broker/dealer.</p> | <p><b>Wealth Management/Investment Advisory Services</b><br/>         PWM provides personalized confidential financial planning, asset management and related consulting services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, charitable organizations and small businesses. Recommendations to clients are made based on consultation with the client and analysis of each client’s specific financial needs and may include following services:</p> <ul style="list-style-type: none"> <li>• Retirement Planning</li> <li>• Estate &amp; Legacy Planning</li> <li>• Eldercare/Medicaid Planning</li> <li>• Tax Planning</li> <li>• Asset Allocation/Portfolio Appraisal</li> <li>• College Funding</li> <li>• Risk Management/Insurance Analysis</li> <li>• Cash Flow Management</li> <li>• Debt Optimization</li> <li>• Employee Benefits Evaluation</li> <li>• Tax Preparation</li> <li>• Tax Filing</li> <li>• Other investment and/or non-investment related matters</li> </ul> <p>Within the context of providing these services, clients may place restrictions on the types of securities to be held within their portfolios. PWM, at this time, does not offer its clients wrap fee programs, which charge a fee for an investment program that bundles together a suite of services, such as brokerage, advisory, research and management.</p> <p>In cases where deemed appropriate we will utilize a Third-Party Investment Advisor.</p> <p>Accounts are typically held at TD Ameritrade or Charles Schwab.</p> |
|   | <p>For additional information regarding brokerage services please see Cadaret, Grant &amp; Co., Inc.’s Regulation Best Interest Disclosures, Form ADV, and Form CRS.</p>   | <p>For additional information regarding investment advisory services please see PWM’s Form ADV, and Part 2A brochure.</p>   |

**Conversation Starters.** Ask your financial professional—

- **{Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?}**

**{What fees will I pay?}**

**Equities (stocks) Ticket Charges**

- Equities and Other Exchange Traded Securities. The commission charged by CG in an agency capacity on an exchange traded security transaction, such as an equity, option, ETF, exchange traded note (ETN), or closed-end fund (CEF) ranges from 0.4 %- 2.0% of the transaction amount depending on the price and size of the transaction. The commission amount decreases as the size of the transaction amount increases according to a schedule. In addition, a financial professional can decide to discount the commission amount to a minimum of \$0 per transaction.

**Mutual Fund and 529 Charges**

- The maximum commission or sales charge permitted under applicable rules is 8.5%, although the sales charge typically does not exceed 5.75%.

**Annuity Contract Charges**

- The maximum upfront commission paid for new sales of annuities is as high as 7.5% but varies depending on the contract length purchased, and type of annuity, such as fixed index, and traditional and investment-only variable annuities.

**Alternative Investments**

- For alternative investment products, such as non-traded business development companies (BDCs), or real estate investment trusts (REITs), the upfront sales load is as high as 5.5%.

**Unit Investment Trusts (UITs)**

- The maximum upfront sales charge paid typically ranges from 1.35% to 3.5% and will depend on the length of the term of the UIT.

**Financial Planning**

- Financial planning fees are assessed when the plan is delivered to you the client. The fees range from \$250-\$25,000 based on the complexity of the plan.

**Wealth Management**

- Wealth management fees are assessed quarterly (January, April, July, and October). The fees are billed in advance and are based on the closing account value on the last day of the ending quarter. For example, January’s bill is calculated off December 31<sup>st</sup> closing value.

**Account Value Annual Wealth Management Fee**

|                    |        |
|--------------------|--------|
| First \$ 50,000    | 1.600% |
| Next \$ 50,000     | 1.500% |
| Next \$150,000     | 1.300% |
| Next \$ 250,000    | 1.100% |
| Next \$500,000     | 0.900% |
| Next \$2,000,000   | 0.700% |
| Next \$7,000,000   | 0.500% |
| Above \$10,000,001 | 0.300% |

**Investment Management**

- Knightbridge Capital Management fees (Investment Management Fees) are assessed quarterly (January, April, July, and October). The fees are billed in advance and are based on the closing account value on the last day of the ending quarter. For example, January’s bill is calculated off December 31<sup>st</sup> closing value.

*Annual Management Fee:*

**Cash Portfolios**

Cash Management – 0.20%

**Stand-Alone Asset Allocation Portfolios**

Strategic Asset Allocation – 0.35% (waived for PWM clients)

Tactical Asset Allocation – 0.50%

**Stand-Alone Hybrid Portfolios**

Alpha Beta and Alpha– 0.75%

**Stand-Alone Equity Portfolios**

Alpha– 0.85% to 1.00% (Account value must be \$100,000 or more)

### Trail Compensation

- **Mutual Funds and 529s.** The ongoing payment, sometimes referred to as 12b-1 fees, depends on the class of shares but is typically between 0.25% and 1% of assets annually.
- **Annuities.** We receive a trail payment from an insurance company for the promotion, sale, and servicing of a policy. The amount and timing of trail payments vary depending on the agreement between CG and the issuer and the type of policy purchased. The maximum trail payment for annuities is typically 1.25% and varies depending on the type of annuity.
- **Alternative Investments.** For alternative investment products, trail payments may be as high as 1.00% on an annual basis which terminates after a specified time period.

### Concessions and Finders Fees

- In certain cases, CG and our financial professionals receive compensation from a mutual fund sponsor in connection with transactions for which sales charges are waived or under other circumstances and as described in a fund's prospectus. This compensation is generally referred to as a finder's fee or concession and typically ranges between 0.25% and 1% of the transaction amount. We also receive concessions from investment sponsors for other types of investments. These concessions vary from product to product and are generally shared between CG and our financial professionals. Concessions can be as high as 0.05% of the transaction amount for new issues of certificates of deposit, municipal bonds, and other short-term dated bonds, up to 3.75% of the transaction amount for structured products.

### Custodial Fees

- Custodian maintenance fees are assessed based on account type. This fee can range from \$25 to \$110.
- For paper statements, \$1 fee is assessed for each statement that is printed and mailed.

### Affiliates

- Affiliate businesses of PWM have the ability to customize their fee schedule per client account by using a flat fee schedule. An Affiliate office may charge up to 2.20% per year/per client account. The total fee charged by the Affiliate office is a combined fee for financial planning and investment related services. Please refer to the above list of Knightbridge management fees for the investment related services portion of the fee. The process of billing the clients will be done in the same manner as PWM clients.

### Third Party

- For Third Party Investment Advisor business we utilize the Assetmark and Morningstar platforms. Management services will be billed through Assetmark and Morningstar according to their fee schedule. PWM receives a strategist fee of 0.25% on accounts utilizing the strategies created by PWM for the Assetmark platform. Please refer to Assetmark and Morningstar's set up documents and firm brochure for specifics.

### Annuity Contract Charges

- Refer to the Wealth management fee schedule on page 2.

### Additional Charges

- Clients may incur fees from the use of investment and insurance products. These fees are assessed as part of the ongoing operations of the specific product as customarily related to mutual funds, exchange traded funds and variable annuities. Specifics can be found on the product sponsors website or in the product prospectus.

### Trail Compensation

- For business done through the investment advisory services channel (TD Ameritrade and Charles Schwab), all 12b-1 fees are kept by the custodians.

**{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 additional information regarding brokerage services please see Cadaret, Grant & Co., Inc.'s Regulation Best Interest Disclosures, Form ADV, and Form CRS.

For additional information regarding investment advisory services please see PWM's Form ADV, and Part 2A brochure.

**Conversation Starter.** 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?}**

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| <p><b>{What are your legal obligations to me when providing recommendations as my broker- dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?}</b></p> | <p>When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. As your investment advisor we uphold the fiduciary standard set forth by our governing bodies. PWM makes money from the management fees you pay quarterly on your account(s) as detailed above. We currently do not make money in any other way; we do not have any soft dollar arrangements at this time.</p>   |
|   | <p><b>Conversation Starter.</b> Ask your financial professional—</p> <ul style="list-style-type: none"> <li>• <b>{How might your conflicts of interest affect me, and how will you address them?}</b></li> </ul> <p><i>For additional information</i>, please see Regulation Best Interest Disclosures, Form ADV, Part 2A brochure, and Cadaret, Grant &amp; Co.’s form CRS.</p>   |
| <p><b>{How do your financial professionals make money?}</b></p>   | <p>PWM’s Advisors are paid a base salary with bonus. The bonus is a set percentage of total salary. The bonus is based on meeting firm goals and personal goals. Factors that affect the bonus are the company meeting an Assets Under Management goal, meeting individual goals, and retaining clients. Other factors that may play into the bonus are continuing education and co-worker to co-worker interaction. Advisors also have the opportunity to earn an additional bonus for procuring new clients. This bonus is paid as a percentage of the fee charged to the client during the first four quarters billed.</p>                                |
| <p><b>{Do you or your financial professionals have legal or disciplinary history?}</b></p>  | <p>Our firm currently does not have any legal or disciplinary history. For individual advisors’ information please reference the websites below for current status.</p> <p>Visit <a href="http://Investor.gov/CRS">Investor.gov/CRS</a> and/or <a href="http://brokercheck.finra.org">brokercheck.finra.org</a> for a free and simple search tool to research us and our financial professionals.</p> <p><b>Conversation Starter.</b> Ask your financial professional—</p> <ul style="list-style-type: none"> <li>• <b>{As a financial professional, do you have any disciplinary history? For what type of conduct?}</b></li> </ul>                         |
| <p><b>[Additional Information]</b></p>  | <p><i>For additional information about our services</i>, please see our Form ADV, Part 2A, Cadaret, Grant &amp; Co.’s form CRS, and visit our website <a href="http://prenticewealth.com">prenticewealth.com</a>. If you would like additional, up-to-date information or a copy of this disclosure, please call 585-218-0001.</p> <p><b>Conversation Starter.</b> Ask your financial professional—</p> <ul style="list-style-type: none"> <li>• <b>{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?}</b></li> </ul> |

Securities offered through Cadaret, Grant & Co. Inc. member [FINRA/SIPC](http://FINRA/SIPC). Advisory services offered through Prentice Wealth Management, LLC, an SEC Registered Investment Advisor. Prentice Wealth Management, LLC and Cadaret, Grant & Co. Inc. are separate entities.