

# Lodestone Wealth Management - Client Relationship Summary

## May 2022

### Introduction

Lodestone Wealth Management is an investment adviser with the Securities and Exchange Commission. 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://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Relationships and Services: “What investment services and advice can you provide me?”

We offer investment advisory services, including portfolio management (review of portfolios, investment strategy and investments) and financial planning (financial situation assessment and advice to meet your goals.) We continuously monitor portfolios under management to ensure your goals and risk levels are being met.

Our firm offers both discretionary services, where we make the decision regarding the purchase or sale of investments based on your investment plan, objectives, and risk levels; as well as non-discretionary services, where you make the ultimate decision. We do not offer proprietary investment products and generally manage your portfolio using an array of exchange-traded funds, mutual funds, and common stock. We generally require an account minimum of \$250,000 but do reserve the right to waive that minimum. *For more information, please see Items 4 and 7 from our Part 2 ADV 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 these qualifications mean?

### Fees, Costs, Conflicts and Standard of Conduct: “What Fees will I pay?”

Our management fees are calculated based on your annual fee as a percentage of the total value of assets in your account(s). Fees are billed quarterly, in advance of services provided, and deducted directly from your account(s). Your agreement with us may provide different fee and billing terms. Because we charge based on the value of your assets, the greater the value of your assets under management, the more you will pay in actual dollars of management fees. We therefore have an incentive to encourage you to increase the amount of assets in your account(s). Additionally, certain investment you own (mutual funds, exchange-traded funds, and other investments vehicles) will incur their own internal costs, which are ultimately borne by you. Custodians also may have their own costs (transaction fees, annual fees, etc.) that are also borne by you.

Financial planning fees will depend on the scope and complexity of your plan. This fee may be waived for those who become clients with assets under our management. *For more information, please see Items 5 from our Part 2 ADV Brochure.*

**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 more information, please see Item 5 from our Part 2 ADV Brochure.*

**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 of interest with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Next are some examples to help you understand what that means. *For more information, please see Item 10 of our Part 2 ADV Brochure.*

**How do your financial professionals make money?:** Primarily we, and our Investment Adviser Representatives (IAR), receive advisory and financial planning fees from you for the services provided. Your IAR may also be a Registered Representative of Northwest Investment Advisors, Inc. (NWIA). This could create a conflict of interest as client securities held and traded at NWIA are on a commission basis, as well as other mutual fund incentives. *For more information, please see Items 5 and 10 from our Part 2 ADV Brochure.*

Questions to ask us: Help me to understand how these fees and costs 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?

**Disciplinary History: “Do you or your financial professionals have legal or disciplinary history?”**

Yes. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us 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**

For additional information about our investment advisory services and/or to view Part 2 ADV and other disclosures please visit our website at [www.lodestonwm.com](http://www.lodestonwm.com). If you have any other questions, need additional up to date disclosure documents or want another copy of our Client Relationship Summary please contact us at (509)413-2386.

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