

FORM CRS DISCLOSURE

Item 1. **Introduction**

- A. Charleston Financial Advisors, LLC**, registered with the Securities and Exchange Commission (SEC) as an Investment Adviser. Note: Investment Adviser and Broker-Dealer services and fees differ, and it is important for the retail investor to understand the differences.
- B.** There are free and simple tools available to research firms and financial professionals: <https://www.investor.gov/CRS>. This site also provides educational materials about [Investment Advisers, Broker-Dealers, and investing](#).

Item 2. **Relationships and Services**

- A. “What investment services and advice can you provide me?”**
- B. Description of Services:** We offer investment advisory services to retail investors, utilizing publicly traded mutual funds and exchange-traded funds for most portfolios. As standard services, we will discuss your goals, and design a strategy to achieve your investment objectives. As an asset management client, you allow us to buy and sell investments in your account without asking you in advance (a discretionary account). We regularly monitor your account and provide access to ongoing reporting on your portfolio. There is a no minimum asset or income requirement to work with us; however, there is a minimum annual fee of \$1000 per year. Advisory services often include comprehensive financial planning. Services can be limited to financial planning only; we recommend investments and you decide when and where to buy and sell investment recommendations (a non-discretionary account). We work with clients on a fee-only basis, meaning we do not use products involving third party arrangements such as: commissions, wrap fees, proprietary funds, revenue sharing or mutual fund service fees. We work with clients as *fiduciaries*, meaning our only loyalty is to our clients – not to a third party, like a brokerage firm or mutual fund company.
- C. Additional Information:**
Financial Planning services: <https://www.charlestonfinancial.net/financial-planning>
Investment Management services: <https://www.charlestonfinancial.net/investment-management>
- D. Conversation Starters**
- i. “Given my financial situation, should I choose an investment advisory service? Why or why not?”
 - ii. “How will you choose investments to recommend to me?”
 - iii. “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**

- A. What fees will I pay?**
- i. Description of Principal Fees and Costs:
Asset Management fees are paid quarterly in advance. The fees are based on a percentage of the value of your portfolio or on a flat fee agreed upon in advance. Generally, as the value of your account increases, the fee percentage decreases.
Financial Planning fees: *Plan Fee* is a fixed amount for a comprehensive plan; *Project Fee* for a plan with limited scope; or *Hourly Fee* based upon time expended. We give

personalized information on the fees and costs that you will pay before you pay them. We will ask for a deposit at the beginning of the engagement and the balance upon completion.

- ii. Additional Information: 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. See our fee schedule at <https://www.charlestonfinancial.net/fee-schedule>
- iii. Description of Other Fees and Costs: The most common are custodian trading fees and mutual fund expenses, both of which we seek to minimize.
- iv. Conversation Starter: **“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?”**

B. 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?”

- i. **Standard of Conduct: When we act as your investment adviser**, we are obligated 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 is an example to help you understand what this means: because we are paid based on the value of your account, we have an incentive to manage more of your money. Please review our firms [Disclosure Document](#).
- ii. Conversation Starter: **“How might your conflicts of interest affect me, and how will you address them?”**

C. How do your financial professionals make money?

- i. All staff are salaried. Owners share in any profits.
- ii. Staff compensation is **not** based upon assets serviced, time and complexity of client needs, products used, or revenue generated from services or recommendations.

Item 4. Disciplinary History

- A.** Do you or your financial professionals have legal or disciplinary history?
- B.** No.
- C.** Use this Search Tool to verify disciplinary history: <https://www.investor.gov/CRS>
- D.** Conversation Starter: **“As a financial professional, do you have any disciplinary history? or what type of conduct?”**

Item 5. Additional Information

- A.** For up to date information about our services, request a copy of this document from our Chief Compliance Officer, Bill Prewitt, at bill@charlestonfinancial.net or Telephone 843-722-3331
- B.** Conversation Starter: **“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?”**