

# WHARTON WEALTH MANAGEMENT, LLC

## Form ADV-CRS

### (Customer Relationship Summary) Part 3

March 24, 2023

#### Item 1: Introduction

*Wharton Wealth Management, LLC ("WWM")* is an investment adviser registered with the United States Securities and Exchange Commission. Such registration does not imply competence. Free and simple tools, and educational materials about broker-dealers, investment advisers, and investing are available to research firms and financial professionals at <https://www.Investor.gov/CRS>.

#### Item 2: Relationships and Services

What investment Services and advice can you provide me?

We provide investment advisory services for which we charge a fee (discussed below). Services include investment supervision, portfolio management and financial planning to individuals, families, businesses, trusts, qualified retirement plans and charities.

We will offer you advice on a regular basis. We will discuss your investment goals, design you an investment strategy to achieve your goals and regularly monitor your account. We review your investment accounts on at least an annual basis. After assets are invested, we assist our clients monitor their investments and provide advice related to the ongoing financial and investment needs. Our investment recommendations generally include mutual funds, exchange-traded funds, and exchange-listed securities. We may also recommend money market funds. If clients hold other types of investments, we may advise on them if we agree. We do not require a minimum account size for our clients.

How will we choose investments to recommend for your account?

After we jointly review your financial situation, we primarily will recommend that clients authorize the active discretionary management of their assets or non-discretionary management. Discretionary authority means that we have the authority to determine, without obtaining your specific consent, the amount and type of securities bought and sold. The only restrictions on our discretionary authority are those set by the client on a case-by-case basis. For non-discretionary accounts, we will not execute transactions in your account without your direction or prior approval.

Account supervision is guided by the client's stated objectives (e.g. conservative, moderate, balanced, growth, aggressive), as well as other considerations. VWG has adopted investment rebalancing as a risk-management strategy. Once an investment model using asset allocation is implemented, rebalancing will take place as needed depending on market and economic conditions and each investor's individual needs. Where VWG maintains discretionary authority over client accounts, VWG will implement the rebalancing without the client's prior authorization. Where VWG acts as a non-discretionary adviser, rebalancing will be implemented only upon approval and authorization of the client prior to any transaction executed in the client's account. For more specific information concerning our services and investment portfolios, please refer to pages 4-8 of our Part 2A disclosure brochure.

**Conversation starters:** We encourage you to ask our financial professionals key questions concerning our investment services, such as:

- (1) Given my financial situation, should I choose an investment advisory service? Why or why not?
- (2) What is your relevant experience, including your licenses, education and other qualifications? How would such qualifications impact your services to me?

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

What fees will I pay?

You will pay fees. Our fee is based on the total market value of your account on the last day of the quarter following your account's effective date. The fee is prorated for the first quarter, and thereafter one-quarter (1/4) of the annualized fee is recalculated quarterly based on the current market value of the assets. WWM charges asset management fee of between .38% and 1.15%, depending upon the size of the account and complexity of the investments. In addition, WWM may charge fees for financial planning services on an hourly rate ranging between \$150 and \$300 per hour depending upon complexity.

For example, we may apply a fee rate of 0.50% on a \$1,000,000 account. The annual fee we would collect is \$5,000. *Please refer to our Form ADV Part 2a page 9 for a detailed fee schedule for each strategy.* Unless paid outside of the assets in the account we manage, the asset-based fee reduces the value of your account and will be deducted from your account.

Mutual funds and ETFs recommended by TWM have underlying fees that are disclosed in their prospectuses. Other costs incurred in your account may include prime broker charges, wire transfer and electronic fund transfer fees, fees and taxes on brokerage accounts and securities transactions. We do not collect any fees or revenue from these products. As your investment adviser, we will act in your best interest and not put our interest ahead of yours.

**Please note, 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 will be paying.**

*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?*

As a registered investment advisory firm, we are held to a fiduciary standard. This means that 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 conflict of interest. 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.

Certain of our investment adviser representatives are also registered representatives of *FSC Securities Corporation* (“FSC”), an SEC registered broker-dealer and member of FINRA. A conflict of interest therefore exists to the extent that WWM’s personnel recommend the purchase of securities where they receive commissions or other additional compensation as a result of WWM’s recommendations. Certain investment adviser representatives of WWM are also investment adviser representatives of FSC, an unaffiliated investment adviser. A conflict of interest may exist to the extent that investment adviser representatives of WWM advise Clients of FSC and WWM on the purchase or sale of the same securities. Finally, certain investment adviser representatives of WWM, in their individual capacities, are also licensed insurance agents with various insurance companies. While WWM does not sell such insurance products to its investment advisory clients, WWM does permit its investment adviser representatives, in their individual capacities as licensed insurance agents, to sell insurance products to Clients. A conflict of interest exists to the extent that WWM investment adviser representatives recommend the purchase of insurance products for which they receive insurance commissions or other additional compensation.

*How do your financial professionals make money?*

We benefit from the advisory services we provide to you, but only by the fees paid for our services. We do not offer commissioned based products. Since our income comes from the fee we charge, we may take risks to increase your assets so we can earn additional income. However, our portfolio management standards and compliance procedures provide guidance to manage your account in accordance with your best interest regardless of this conflict.

**Conversation starters:** If you have questions regarding conflicts of interest, please feel free to ask us. You can begin the conversation by asking “How might your conflicts of interest affect me, and how will you address them?”

#### **Item 4: Disciplinary History**

*Do we or our financial professionals have legal or disciplinary history?*

No. We encourage you to visit [investor.gov/CRS](http://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

**Conversation starter:** Feel free to ask: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

#### **Item 5: Additional Information**

*Where is additional information available?*

You should independently confirm all of the information stated here with our other regulatory filings. For additional information on our investment advisory services, see our Form ADV, along with the brochure supplement on each of our financial professionals. Information regarding our firm can be found at [adviserinfo.sec.gov](http://adviserinfo.sec.gov) or by calling our firm at the telephone number listed below for up-to-date information. If you have a problem with your investments, investment account or a financial professional, please contact us. If you fail to gain timely satisfaction through this course of action, you may wish to report the problem to the SEC. You may reach the SEC at [Investor.gov](http://Investor.gov) or call the SEC’s toll-free investor assistance line at 800-732-0330.

We are always available to answer any questions. **Conversation starter:** “Who is my primary contact person? Is he or she a representative of the investment adviser? Who can I speak with if I have concerns regarding my primary contact?”

Your adviser serves as your primary contact with our firm. If you have concerns about how this person is treating you, please contact our Chief Compliance Officer, Robert C. Gueriera, Jr, at 484-328-3590.