

## CLIENT RELATIONSHIP SUMMARY **March 2024**

Cornerstone Financial Management LLC (the “Advisor” or “we”) is registered as an investment advisor with the Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply a level of skill or training.

Brokerage and investment advisory services and fees differ. 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](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors and investing.

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

**Ongoing Comprehensive Financial Planning** involves working one-on-one with a planner to develop and implement a financial plan that is based on your goals and objectives, financial condition, and other relevant factors. You will need to provide detailed information about your net worth, investments, insurance, debt, income and benefits, and to discuss any plans regarding college, retirement, estate planning, charitable giving and other investment goals. Once the plan is delivered, the plan and your financial situation will be monitored throughout the year and follow-up phone calls and emails will be made to follow up.

**Investment Management Services** Under this service, we will manage your investment portfolio on a discretionary basis, consistent with an Investment Policy Statement. This Statement will be based on your individual needs, goals, objectives, financial circumstances, and other factors. The Investment Policy Statement will include an asset allocation target consistent with your stated investment objectives. It will also indicate any reasonable restrictions which you have placed on the account’s investments. We can also include as part of an asset allocation and rebalancing strategy certain accounts which are held at other custodians, e.g., 401(k) accounts or variable annuities; these other accounts may be managed on a non-discretionary basis. We may also recommend third-party investment advisors to manage an appropriate portion of your investments. We will monitor your portfolio continuously, and we will meet with you on a periodic basis to discuss changes in your financial situation or goals. We do not have a minimum account size requirement.

**Investment Consulting Services** At our discretion, we may provide Investment Consulting Services. Such services could include an analysis of your other investment accounts and investment recommendations for those accounts. You would be solely responsible for the implementation of such investment recommendations.

For additional information about our services, see Items 4 and 7 of Form ADV Part2a Brochure available at: <https://adviserinfo.sec.gov/>

### **Ask our investment professionals:**

*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 relative experience, including your licenses, education, and other qualifications?*

### ***What fees will I pay?***

**Investment Management Services:** Typically, clients receiving this service will be charged a fee based on the market value of the assets under management (calculated according to the table below). These fees are paid in advance on a monthly or quarterly basis. The fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as of the last day of the previous billing period as shown in the following chart resulting in a combined weighted fee.

Account Value	Annual Advisory Fee
First level: \$0 up to \$3,000,000	1.00%, plus:
Second level: \$3,000,001 - \$5,000,000	0.85%, plus:
Third level: \$5,000,001 - \$7,500,000	0.75%, plus:
Fourth level: \$7,500,001 - \$10,000,000	0.68%, plus:
Fifth level: 10,000,001 - \$999,999,999	0.50%

Please note: The value of the Client’s held-away assets that are managed by CornerstoneFM are included in the Account Value. These fee rates may be negotiable in certain cases, at our sole discretion.

**Ongoing Comprehensive Financial Planning:** Clients receiving this service will be charged a fixed annual fee billed monthly or quarterly, based on the Client’s personal financial circumstances, such as income and investments. It may range as high as \$2,500 per month (or up to \$7,500 per quarter). The fee is subject to an annual 3.0% increase. At our discretion, the fee may be negotiated or may be waived based upon the amount of assets under our management.

**Alternative Fixed IMS Fee.** Alternatively, in certain cases, we may negotiate a fixed monthly or quarterly fee with clients who have engaged us to manage all or substantially all of their investable assets. Such arrangements shall be made at our sole discretion.. Generally, a fixed fee for Investment Management Services may range from \$5,000 to \$25,000 depending on the complexity of the client's accounts and the client's specific needs. The fee is subject to an annual 3.0% increase.

**Minimum Fee:** The minimum fee for combined Ongoing Comprehensive Financial Planning and Investment Management Services is \$5,000 on an annual basis. For Clients with investment portfolios valued at less than \$500,000, the minimum fee will result in an effective annual fee rate of greater than 1.00%.

**Investment Consulting Services:** The fee for this service is an annual fee ranging from \$1,000 to \$25,000 that is paid either monthly or quarterly, in advance. The fee is subject to an annual 3.0% increase. The fee may be negotiable in certain cases.

**General:** Fees are directly debited from Client accounts, or the Client may choose to pay by check. Accounts initiated or terminated during a month/calendar quarter (as appropriate) will be charged a prorated fee. Upon termination of an account or service, any unearned fee will be refunded.

**Other Fees and Expenses:** In addition to our fee, investment accounts also incur brokerage commissions, transaction fees, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes. Mutual fund and exchange-traded funds also charge internal management fees and administrative expenses, which are disclosed in a fund's prospectus. The investment advisory fees we receive from clients are our only source of revenue.

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.

**Ask our investment professionals:**

*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 advisor, we are acting in a fiduciary capacity. This means we must always 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. Here are some examples to help you understand what this means. It is in our interest to encourage you to use more of our services. Similarly, when we charge an asset-based fee, we have an incentive to encourage you to place more assets under our management. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

**Ask our investment professionals:**

*How might your conflicts of interest affect me, and how will you address them?*

For additional information about conflicts of interest, see Form ADV Part2a Brochure available at: <https://adviserinfo.sec.gov/>

***How do your financial professionals make money?***

Our financial professionals are owners of the Advisor firm and therefore benefit from its success. All other compensation is on a salary basis.

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

No. Neither Cornerstone Financial Management LLC nor its principal owners have ever been disciplined by any governing authority, including any regulatory agency. **Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research the Advisor and our financial professionals.**

**Ask our investment professionals:**

*As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional information about Cornerstone Financial Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Cornerstone Financial Management LLC is 140967. To request up-to-date information or request a copy of this relationship summary, contact us at 800-527-1238 or by email at [moreinfo@cornerstonefm.com](mailto:moreinfo@cornerstonefm.com).

**Ask our investment professionals:**

*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?*