

# Form CRS

## Customer Relationship Summary



## Introduction

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Thompson Financial Services, Inc. doing business as Thompson Wealth Advisors (TWA) is a North Carolina Registered Investment Advisor firm and Jeffrey Scott Thompson is a Registered Investment Advisor. 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 <https://www.investor.gov/home/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

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

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We offer advisory services through Investment Advisor Representatives ("IAR"). Our advisory services include but are not limited to wealth management, financial planning, consultations on wealth transfer, estate planning, tax planning, retirement planning, education funding, and charitable gifting.

When providing advisory services, we are held to a fiduciary standard that covers our investment advisory relationship with you. As fiduciaries, investment advisers are required to act in the best interest of their clients and not place their own interest ahead of their clients. However, at times our interest can conflict with your interest. When we provide recommendations, we must eliminate, mitigate or inform you of these conflicts, depending on the nature of the conflict.

We will meet with you to understand your current financial situation, existing resources, goals, and risk tolerance. Based on what we learn, we will recommend a portfolio of investments that is regularly monitored, and if necessary, rebalanced to meet your changing needs, stated goals and objectives.

When you utilize our advisory services, you will pay an ongoing asset-based fee for our services. These services include meeting with you at least annually to review and discuss asset management account investment and allocations, changes in your financial status and investment objectives, and address any questions you may have. When you use us for financial planning or consulting services, the fees will be agreed upon between you and your financial professional. A separate financial planning/consulting contract detailing these fees will be executed prior to our providing services.

Our accounts are managed on a discretionary basis. We do not need to contact you when buying or selling in your account. You will sign an *Investment Advisory Contract* giving us this authority, which will remain in place until you or we terminate the relationship. See <https://adviserinfo.sec.gov/firm/summary/140871>.

Some investment strategies may have account/investment minimums. We use TD Ameritrade, Inc. member [FINRA/SIPC](#), a subsidiary of The Charles Schwab Corporation as custodian for advisory activities. If a sub-advisor or third-party custodian elected by you or your advisor is not TD Ameritrade/Charles Schwab, the sub-advisor and/or third-party custodian will be disclosed in your Investment Advisory Contract. Our investment advice only covers investments that are allowed according to the terms of each advisory program, and other firms could provide advice on a wider range of choices, some of which might have lower costs.

**For additional information**, please see fee disclosure forms, conflicts links, Form ADV Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A, and 5 of Part 2A Appendix 1) on IAPD at [www.investor.gov](http://www.investor.gov) or on our website <http://www.thompsonwealthadvisors.com/disclosures> and any brochure supplement and other disclosures your financial professional provides.

### Conversation Starters

“Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage 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?

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Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.

### **Financial Planning Services (Plans and Consultations)**

- Negotiated between you and your Investment Advisor Representative (“IAR”) in advance and set forth in your contract.
- You may be charged as a one-time fixed fee, an hourly fee, or a fixed periodic fee.

Billing Frequency	Minimum Fee	Maximum Fee
One Time	\$125	\$25,000
Hourly	\$275 per hour	\$500 per hour
Periodic	\$300 per period	\$25,000 per period

### **Asset Management Services**

- Fees for investment advisory services are calculated based on a percentage of assets under management. The greater the assets you have in your advisory accounts, the more fees you will pay and, thus, Thompson Wealth Advisors and its IARs may have an incentive to encourage you to increase assets in the account.
- Fees are negotiated between you and your IAR and will be disclosed in your agreement.
- Fees range from 0.75% to 1.25%. Minimum account fee is 0.75% or 75 basis points. We may accept accounts with a lower fee at our discretion.

- You may incur other charges imposed by third parties such as custodians, including but not limited to, confirmation fees, mutual fund 12b-1 distribution fees, sub accounting fees, contingent deferred sales charges, variable annuity fees and surrender charges, short term redemption fees, qualified retirement plan fees, account maintenance fees, mutual fund management fees and investment management fees. Please see <https://www.tdameritrade.com/pricing/brokerage-fees.page> for full detail regarding third-party fees.
- We may act as a promotor for other RIAs. Sometimes they may be referred to as Third-Party Money Managers (TPMM). In this promotor arrangement we will receive a portion of the fee the TPMM will charge you. This varies and will be identified in the TPMM's Form ADV.

***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** on how fees are calculated, refer to your investment advisory agreement and the applicable disclosures specific to your advisory account.

### **Conversation Starters**

"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 providing recommendations as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

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*When we act as your investment advisor, 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 with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.*

The amount of compensation we receive when making recommendations can vary. For example, if we utilize third party investment managers, a portion of the fee collected from an advisory account is paid to the third party investment manager for their services. In the event an advisor managed portfolio is recommended, a larger portion of the fee is paid directly to the adviser making the recommendation.

The period of time over which the Firm and your financial advisor receive compensation when making recommendations can vary. For example-- when recommending a commissionable product, advisors may receive a large commission payment up front and lower commission payments in years to come. When recommending an advisory account, advisors receive an annual percentage fee as long as advisory services continue.

### **Conversation Starters**

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

## How do your financial professionals make money?

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Our financial professionals can offer various types of advisory and brokerage programs, platforms and services, and can earn more or less if a certain type of service, program or platform is recommended. They are also compensated in a variety of ways, and the compensation can be based on factors such as: the amount of client assets they service; the time and complexity required to meet a client's needs; the product sold (i.e., differential compensation) or product sales commissions.

In their day-to-day business, it is not uncommon for our financial professionals to face decisions about whether a particular action or circumstance constitutes a conflict of interest. While many conflicts can be avoided, there are some conflicts that are unavoidable. Since our financial professionals are compensated for the services they provide, this presents an inherent conflict of interest.

Commission-based financial professionals are compensated solely through commissions. In contrast, fee-based financial professionals charge an asset-based or flat fee directly to their clients for their services. This fee can be structured in multiple ways, such as an hourly rate, a monthly retainer, a flat annual fee, or a percentage of assets under management. Financial professionals may also receive financial planning fees and/or promotor referral fees.

Our financial professionals may have conflicts of interest beyond those disclosed by us, and those financial professionals will disclose, when appropriate, any additional material conflicts of interest no later than the time of a recommendation.

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

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We do not have any disciplinary events to disclose. Visit <http://www.investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.

### **Conversation Starters**

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

## Additional Information

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For additional information about our services, please refer to our Form ADV brochure and any brochure supplement your financial professional provides and our website [www.thompsonwealthadvisors.com/disclosures](http://www.thompsonwealthadvisors.com/disclosures). Additionally, you can request up-to-date information and/or a written copy of the Form CRS by calling Thompson Wealth Advisors at 704-878-6112.

### **Conversation Starters**

“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?”