



**FORM CRS**

# Client Relationship Summary

Hobart Private Capital, LLC d/b/a Hobart Wealth is registered with the Securities and Exchange Commission as an investment adviser. We provide investment advisory accounts and services. 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://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

**ASSET MANAGEMENT SERVICES:** We provide asset management services primarily on a discretionary basis. We will create a portfolio for you using individual stocks, bonds, exchange traded funds, options, mutual funds and other securities or investments. Your investment strategy will be tailored to your needs and may include some or all of the above-mentioned securities. Portfolios are then continuously and regularly monitored and rebalanced based on your needs. You have the option of providing our firm with discretionary authority. If we have investment discretion, we are authorized to execute securities transactions on your behalf without consulting with you first. You may impose reasonable limitations on this authority in writing with our acknowledgement. If your account is managed on a non-discretionary basis, you will make the ultimate decision regarding the purchase or sale of investments.

We generally require that new clients have a minimum liquid net worth of \$250,000 for asset management.

**FINANCIAL PLANNING & CONSULTING SERVICES:** We provide financial planning and consulting services to clients for a separate financial planning fee. Financial planning services will typically involve preparing a financial plan after consultation with you based on your financial goals and objectives. Once an initial plan is presented to you, we will periodically review and assess whether the plan remains appropriate for you and recommend adjustments as needed. For more detailed information about our services, please see Items 4 and 7 of our [Form ADV 2A Brochure](#).

**Conversation Starters:** Below are some questions you can ask our financial professionals to start a conversation about relationships and services:

- 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?

## WHAT FEES WILL I PAY?

**ASSET MANAGEMENT SERVICES:** We receive an asset-based fee for our asset management services ("Advisory Fee"). Advisory Fees are negotiable and will typically be deducted from your account(s). The Advisory Fee you pay will be described in the Investment Advisory Agreement signed by you and our firm and will not exceed 2.00%. Advisory Fees are typically billed quarterly in advance.

Our Advisory Fee does not include brokerage commissions, transaction charges, handling fees, custodial fees, service charges, ticket charges and other similar charges. You will also pay charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, and other fund expenses). Other fees and expenses that you may pay in connection with our services include IRA and qualified retirement plan fees, mark-ups and mark-downs, spreads paid to market makers, wire transfer fees, ADR fees, overnight check fees, close-out fees, activity assessment fees, taxes, trade away fees and annuity fees including mortality and expense charges, rider fees, subaccount fees and surrender charges. Our firm does not receive any portion of these fees.

Our fees create conflicts of interest. For example, generally the amount payable to us varies depending upon the amount of trading in your account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to us. This presents a conflict of interest, as we have a financial incentive to avoid trading your account. For

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a more thorough discussion of conflicts of interest relating to our fees and how we address them, please see Item 5 of our Form ADV 2A Brochure.

**FINANCIAL PLANNING & CONSULTING SERVICES:** We are compensated on an hourly or annual flat fee basis for financial planning and/or consulting services. The maximum hourly fee will not exceed \$500 per hour. Annual fees range from \$2,500 to \$25,000. Fees are negotiable and based on the scope and complexity of our engagement with you. For the initial annual fee, you may elect to submit a partial payment or the entire amount due for the first year at the time of signing. The remainder of the fee will generally be directly billed to you and due within thirty (30) days of the initial financial plan being delivered or consultation rendered. You will not be billed more than \$1,200 in fees in any six (6) month period without the receipt of services within that six (6) month period.

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 detailed information about our fees and costs, please see Item 5 of our Form ADV 2A Brochure.

**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?

**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 with your interests. 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. For example, some of our investment adviser representatives ("IARs") are also individually licensed insurance agents. Whenever any such IARs recommend insurance products in this capacity, the IAR is recommending a product on which he or she will receive a commission or variable compensation, as further described below. This presents a conflict of interest in that our IARs have a financial incentive to recommend these products. For a full discussion of our conflicts of interest and how they are addressed, please see Items 4, 5, 10, 11, 12 and 14 of our Form ADV 2A Brochure.

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

**HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?** Our IARs are compensated in different ways. Some of our IARs are not salaried and are instead compensated based on the value of assets held in advisory accounts they service. Some of our IARs receive a base salary which is based on the amount of assets under management assigned to the IAR as of the end of the previous year or quarter. Some of our IARs who are also insurance-licensed receive monthly or quarterly variable compensation based on revenue received on commissionable insurance policies issued as a result of recommendations by the IAR. Some of our IARs who are insurance-licensed receive quarterly variable compensation if they reach certain non-revenue-based quarterly goals. Some of our IARs receive both a base salary and variable compensation. These practices present conflicts of interest as our IARs who are compensated based on the amount of assets under management have an incentive to bring in new assets, and our IARs who are insurance licensed have an incentive to recommend commissionable insurance products. Furthermore, our IARs who receive both a base salary and variable compensation are incentivized to make the recommendation that will maximize his or her income by increasing revenue in one category or another. This presents a conflict of interest. We address these conflicts of interest by, among other things, reviewing recommendations to ensure they are in the best interest of the client. For a more thorough discussion of conflicts of interest relating to how we compensate our IARs and how we address them, please see the disclosure in Item 4 of our Form ADV 2A Brochure.

**DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?** Yes. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

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

For more information about our investment advisory services or to request the most current version of this relationship summary, please go to [HobartWealth.com](https://HobartWealth.com) or call our Charlotte office at (888)-553-0122.

**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?



Hobart Wealth is a DBA of Hobart Private Capital, LLC. Investment advisory services offered through Hobart Private Capital, LLC, a SEC-Registered Investment Advisor. Insurance services offered separately through Hobart Insurance Services, LLC, an affiliated insurance agency. We do not provide, and no statement contained herein shall constitute, tax or legal advice. You should consult a tax or legal professional on any such matters. This information is intended for educational purposes only. It is not intended to provide any investment advice or provide the basis for any investment decisions. You should consult your financial adviser prior to making any decision based on any specific information contained herein.

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## **HOBART WEALTH SUMMARY OF CHANGES**

Please note the following changes since the previous version of our Form CRS, dated November 14, 2023:

- We revised the description of our services and fees for financial planning & consulting services to reflect that these services are provided on an ongoing basis, and that you will be charged on an hourly or annual flat fee basis. Once an initial plan is presented to you, we will periodically review and assess whether the plan remains appropriate for you and recommend adjustments as needed. For the initial annual fee, you may elect to submit a partial payment or the entire amount due for the first year at the time of signing. The remainder of the fee will generally be billed to you and due within thirty (30) days of the initial financial plan being delivered or consultation rendered. You will not be billed more than \$1,200 in fees in any six (6) month period without the receipt of services within that six (6) month period.
- We revised the description of our fees for management services to include other fees and expenses that you may pay in connection with our services, including trade away fees and annuity fees including mortality and expense charges, rider fees, subaccount fees and surrender charges.