

Rookwood Wealth Management LLC – Client Relationship Summary

March 30, 2024

Item 1. Introduction

Rookwood Wealth Management LLC (“Rookwood”) is a registered investment advisor with the United States Securities and Exchange Commission. Investment advisory service fees and brokerage 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 this [government Client Relationship Summary website](#). That site also provides educational materials about investment advisers, broker-dealers, and investing.

Item 2: What investment services and advice can you provide to me?

Rookwood’s Description of Services. Rookwood provides wealth management services to retail investors, whether individuals, a family, or a family group (whether singularly or as a group, the term “Client” will be used in this document). Rookwood provides investment advisory services, also called portfolio management, and it also separately provides investment consulting services, including helping select and manage other portfolio managers.

Investment Advisory Services. Additional, in-depth information regarding our wealth management services, portfolio management philosophy, practices, and fees, along with other required disclosures, are discussed in Items 4, 6, 8, and 16 of Rookwood’s annual [Firm Brochure](#), also called [Form ADV Part 2A](#). You can review Rookwood’s firm brochure by clicking on either link above. Additional information is also available in the Individual Brochure found at the same [location](#).

It is important to understand that Rookwood never physically touches Client money or holds Client assets in its own accounts. Instead, Rookwood utilizes a third-party custodian, Charles Schwab, to hold your funds and your assets. Charles Schwab holds approximately \$8.5 trillion in client assets. Each month, Schwab will email or mail the relevant custodian account statements to Rookwood’s Clients, which Clients can then compare against Rookwood’s quarterly statements. This ensures that Rookwood’s Client funds are safe. Schwab’s account protection measures are discussed and can be downloaded from this [site](#).

Investment Consulting Services. As part of Rookwood’s investment consulting services, Rookwood will conduct a client review and complete an analysis of a new Client’s investment policies, objectives, asset allocation and portfolio structure, and recommend changes, if appropriate. Rookwood typically negotiates management fee discounts with the Client’s portfolio managers so that Rookwood’s consulting fees do not increase the Client’s investment expenses. Rookwood will then work with the Client to develop a written investment policy statement for use with the Client’s investment advisors and/or brokers. Frequently, Rookwood Clients will have Rookwood attend the Client’s quarterly meetings with their investment advisors, regardless of whether the Client chooses to attend. Rookwood also monitors its Client’s investment managers and their performance on an ongoing basis and discusses current investments with those investment managers and with its Client. Rookwood helps ensure that the entirety of its Client’s investment accounts is weighted within the constraints of the investment policy statement. Rookwood’s investment consulting Clients typically already have assets managed by two or more investment advisory companies with Rookwood monitoring the Client’s broader diversification. Rookwood also coordinates investment communications and meetings between investment advisors, accountants, attorneys, and/or trustees as appropriate.

Finally, Rookwood conducts periodic reviews with its Clients and discusses the performance, both short term and long term, of the Client’s portfolio managers. It is at this time that Rookwood typically recommends changes if it deems changes are beneficial to the Client, occasionally, including Rookwood making recommendations about changing portfolio managers, or increasing assets at one portfolio manager

while reducing assets at another. Rookwood's investment consulting Clients appreciate Rookwood experience and added value in managing portfolios because Rookwood's Clients know Rookwood's bias is to protect the Client and to help them achieve their objectives.

Account Monitoring and Investment Authority:

If you open an investment advisory account with Rookwood, as part of our standard service we will monitor your investments on a periodic basis. Rookwood generally only manages assets on a "discretionary" basis, meaning you grant Rookwood the authority to determine the securities or other assets to purchase or sell in each account. This discretion will remain in effect unless revoked by you in writing or by Rookwood in writing. Rookwood will monitor your managed account on an ongoing basis as part of our standard service. We will purchase and sell securities and other assets in your account consistent with your stated investment objectives, limitations, and restrictions. Investments consist mainly of stocks, bonds, mutual funds, exchange traded funds and alternatives.

Rookwood does not purchase nor provide advice on proprietary investment products, or other non-traditional types of investments. Rookwood typically does not use options or futures or other leveraged derivatives in managing its clients' portfolios.

Rookwood's requirements to open a wealth management account: Rookwood requires you to sign an Investment Advisory Agreement or an Investment Consulting Agreement authorizing Rookwood to provide the services discussed above. Rookwood does have an account minimum of \$1 million for investment advisory accounts, but Clients generally exceed that amount, whether individually or through family units. Similarly, Rookwood has a minimum quarterly fee of \$5,000 for investment consulting clients, but Rookwood's Clients typically exceed that amount. Rookwood's fees are paid quarterly in advance. Either agreement can be revoked by either party at any time, and Rookwood will refund any unused fees per the relevant Agreement. Rookwood always reserves the right to accept smaller accounts at its discretion.

Key Questions to Ask Rookwood and Other Financial 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 relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?***

Item 3, part 1: What fees will I pay?

Rookwood's fees for its investment advisory services are listed in Rookwood's [Firm Brochure](#) in Items 5 and 6. Rookwood charges a percentage of the assets under management for an individual, family, or family group, according to the assets tiers listed in the Investment Advisory Agreement. There is an inverse relationship between the assets under management and the percentage charged; when the assets under management reach the next higher tier, the percentage that Rookwood charges goes down. Rookwood's fees are calculated quarterly, based on the market value of each portfolio at the end of the prior month, and all fees are deducted from the account in advance. If a Client leaves Rookwood mid-quarter, Rookwood will refund any unused fees to the Client. By charging a fee based on the assets under management for each Client, the more the assets in each account grow, whether by appreciating or by the Client placing more assets in their account, the more a Client will pay in fees. But, by contrast, the Client also pays a lower percentage as Client assets reaches the next upper tier. Therefore, while Rookwood is incentivized to grow its assets under management, it has no incentive to trade assets or churn assets through trading in its accounts.

In addition to Rookwood's advisory or consulting fees, Clients are also responsible for the fees and expenses charged by custodians and broker dealers, including commissions and any other trade related fees. Clients investing in mutual funds/index funds/exchanged traded funds will pay Rookwood's percentage fee for those assets, as well as all of the management/operating fees charged within those types of investment vehicles and any taxes or fees required by federal or state law. As noted in Rookwood's Firm Brochure, Rookwood does not sponsor or participate in any wrap fee program.

The fees Rookwood charges for its investment consulting services are similarly asset-based fees and is a specified percentage of the value of the assets that Rookwood monitors for the Client. Like with its investment advisory fee, Rookwood's investment consulting fees are a percentage of the assets under agreement with each Client, with the result that Rookwood's percentage fee falls as the value of the assets in each Client account increases. The remaining methodology for Rookwood's fees is the same as listed above for Rookwood investment management services. Rookwood Clients will pay fees and costs whether they make or lose money on their investments. Fees and costs will also reduce investment returns over time. As a result, you must understand what fees and costs you are paying before using Rookwood or any other financial professional to help you manage your investments.

Key Questions to Ask Rookwood and Other Financial Professionals

- *Help me to 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?*

Item 3 (part 2): 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 to you. For example, we receive various benefits and services from custodians that we may recommend to you. Please refer to Rookwood's [Firm Brochure](#) for more information, including Item 5 – Fees and Compensation, Item 10 – Other Financial Industry Activities and Affiliations, Item – 12 – Brokerage Practices, and Item 14 – Client Referrals and Other Compensation.

Key Questions to Ask Rookwood and Other Financial Professionals

- *How might your conflicts of interest affect me?*
- *How will you address them?*

Item 3 (part 3): How do your financial professionals make money? A Rookwood portfolio manager is paid a percentage of the amount of Client assets they manage. As a result, a Rookwood portfolio manager's income increases and decreases as Client asset increase and decrease. Rookwood believes this compensation method is consistent with a Client's expectations to make money in their account(s) over the long run. Finally, no Rookwood employee earns any additional income by making trades in any account and has no incentive to do so.

Paying a Rookwood portfolio manager solely based on the value of Client assets creates a potential conflict of interest. For instance, instead of working to increase the value of Client assets, a portfolio manager could also increase their income by convincing their Clients to place additional assets in the Rookwood accounts. Each Client that does this will pay more in fees to Rookwood. Due to this, both Rookwood and the Rookwood portfolio manager have an incentive to encourage you to increase the assets in your account. You can learn more about this potential conflict of interest in Item 5 of the Individual Brochure (Form ADV Part 2B Brochure Supplement) located [here](#). The key component here is that it is your responsibility to monitor the services that Rookwood provides and make sure they are consistent with your expectations.

Item 4: Do you or your financial professionals have a legal or disciplinary history?
No.

Key Questions to Ask Rookwood and Other Financial Professionals

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

Item 5: Additional Information. For additional information about our investment advisory services or investment consulting services and/or to request a copy of our Form CRS, please call 513-871-7815 or email mark@rookwood.biz.

Key Questions to Ask Rookwood and Other Financial Professionals

- *Who is my primary contact person?*
- *Is he or she a representative of an investment advisor or a broker-dealer?*
- *Who can I talk to if I have concerns about how a person is treating me?*

Rookwood understand the importance of its Clients' assets and is serious in its stewardship of those assets. Rookwood is also committed to keeping the channels of communication open for your benefit.

