

INTRODUCTION

Our firm, Potentia RIA, LLC dba Potentia Wealth (“Potentia” or “Potentia Wealth” or the “Firm”) is an investment advisor registered with the Securities and Exchange Commission. 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 www.investor.gov/CRS, which also provides educational materials about investment advisors, broker-dealers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer investment advisory services to retail investors in the form of asset management and financial planning.

Asset (Portfolio) Management: We primarily manage accounts on a discretionary basis. Discretionary management means that after you sign an agreement with our firm, we are allowed to buy and sell investments in your account without asking you in advance. Any limitations on our discretionary authority will be described in the signed advisory agreement. We will have discretion until the advisory agreement is terminated. Certain advisors of the firm may manage accounts on a non-discretionary basis. Non-discretionary management means we will contact you before a trading decision is implemented. We may delegate management of your account to one or more subadvisors. Our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us. We will review your accounts at least annually. Some wrap fee programs have minimum account size or investment amounts that can vary depending on the specific program.

Financial Planning: We provide our clients with an in-depth analysis of their current financial situation, as well as detailed recommendations relating to the client’s financial goals. Financial Planning services offered by the firm are provided either on a stand-alone fixed fee basis or an ongoing subscription fee basis. Financial planning services do not involve the active management of client accounts, but instead focus on a client’s overall financial situation. Financial planning can be described as helping an individual to determine and set their long-term financial goals through investments, tax planning, asset allocation, risk management, retirement planning, and other means. The role of the financial planner is to find ways to help the client understand their overall financial situation and set financial investment objectives. Subscription fees, also known as flexible payment program fees, allow an advisor to spread the billing of their consulting and financial planning fees out over a longer term for convenience to a client/family. The fees are billed monthly for the subscription financial planning services. The firm also offers stand-alone financial plans where the financial planning fee will consist of a deposit, and balance due upon presentation of plan to the client.

Additional information about our advisory services is located in Item 4 of our Firm Brochure which is available online at <https://adviserinfo.sec.gov/firm/summary/329135>.

Conversation Starters:

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 those qualifications mean?

WHAT FEES WILL I PAY?

Asset (Portfolio) Management: Clients pay an annual advisory fee in advance on a quarterly basis between 2.0% and 0.6%. Clients with assets in the MAS, MWP, and OMP Programs will also pay fees to other third parties, such as a Portfolio Manager fee, and platform fee which typically ranges from 0.15% to 1%. The investment management fee charged is subject to negotiation with each client based on the client’s characteristics and may differ from client to client. Lower fees for investment management services may be available from other sources. Clients with assets in the MAS, MWP, and OMP Programs will also pay fees to other third parties, such as a Portfolio Manager fee, and platform fee which typically ranges from 0.15% to 1% of account assets per year.

Financial Planning: Potentia will bill the client for their financial planning services based on the scope of services rendered. Financial Planning Services are charged through a fixed fee or subscription fee arrangement as agreed upon between the client and the IAR. Fees are negotiable and vary depending upon the complexity of the client’s situation and the services provided. Fixed fees typically range from \$2,500 to \$50,000 depending on the complexity of the project and services. If additional services or changes to the engagement which exceed the estimated fee are required, Potentia will notify the client as soon as possible to discuss the necessary additional fees. A time estimate is provided prior to initiating additional work, and client approval is required.

Other Fees: The advisory fees and transaction charges do not cover charges imposed by third parties for investments held in the account, such as contingent deferred sales charges or 12(b)-1 trails on mutual funds. In addition, each mutual fund or third-party investment manager charges asset management fees, which are separate from, and in addition to, the Firm's advisory fees. The fees charged by such funds or managers are disclosed in each fund's prospectus or Manager’s ADV Part 2A. Third parties may require a minimum advisory fee or quarterly maintenance fee that will be detailed in the applicable Investment Management Agreement, which are separate from, and in addition to the Firm’s advisory fees.

Potentia RIA, LLC's advisory fee also does not cover fees and charges in connection with debit balances; margin interest; odd-lot differentials; IRA fees; transfer taxes; exchange fees; wire transfers; extensions; non-sufficient funds; mailgrams; legal transfers; bank wires; postage; costs associated with exchanging foreign currencies; and SEC fees or other fees or taxes required by law. In certain cases, we may select third party asset managers to manage your account. If selected, they will charge you an additional management fee, which will be outlined in their separate advisory agreement.

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.

Additional information about our fees is located in Item 5 of our Firm Brochure, which is available online at <https://adviserinfo.sec.gov/firm/summary/329135>.

Conversation Starters:

Help me understand how these fees and costs may 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 ADVISOR? 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:

- Some of our financial professionals are affiliated as a registered representative with LPL Financial ("LPL"), to sell securities products for a commission. Your financial professional has a conflict of interest in offering you brokerage services at LPL where you would pay a brokerage commission and your financial professional would receive a portion of that commission.
- Some of our financial professionals are licensed insurance agents who sell insurance products for a commission. These individuals have an incentive to recommend insurance products to you to increase their compensation.
- We may utilize third party sub-advisors to manage a part or all of your portfolio. In these cases, you may pay additional fees for the use of the third-party sub-advisor.
- Certain financial professionals provide tax services for which they receive additional compensation. This presents a conflict of interest due to the economic incentive to refer clients to each other as opposed to other tax providers.

Conversation Starters:

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

Additional information about our conflicts of interest is located in Item 10 and 12 of our Firm Brochure, which is available online at <https://adviserinfo.sec.gov/firm/summary/329135>.

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our financial professionals are compensated based on the revenue our firm earns from their advisory services or recommendations, the amount of client assets they service, and the time and complexity required to meet a client's needs. Certain Investment Advisor Representatives of Potentia are also registered with LPL Financial as FINRA broker-dealer registered representatives and will collect additional compensation in the form of commissions. Additional compensation is also being received for Investment Advisor Representatives that provide tax services under Potentia Tax. Additional compensation is also being received for Investment Advisor Representatives that provide tax services under Potentia Tax and will receive additional compensation in the form of commissions.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No. Visit Investor.gov/CRS for a free and simple search tool to research Potentia and our financial professionals.

Conversation Starters:

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

ADDITIONAL INFORMATION



Form CRS – Client Relationship Summary

July 24, 2024

You can find additional information about our firm's investment advisory services on the SEC's website at www.adviserinfo.sec.gov by searching CRD #329135. You may also contact our firm at (408) 288-7886 to request a copy of this relationship summary and other up-to-date information.

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?