

Is an Investment Advisory Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

Birchwood Financial Partners, Inc. ("Birchwood", "Firm", "We", "Us", "Our") is an investment advisor, registered with the Securities and Exchange Commission, and provides advisory services for a fee rather than for brokerage commissions. We are a fiduciary, which means that we are obligated to act in the best interest of our client. As a retail investor, it is important to understand the differences between services and fees of an investment advisor and a broker-dealer. *Investor.gov/CRS* offers free and simple tools to research firms and financial professionals; it also provides educational materials about broker-dealers, investment advisors, and investing.

What investment services and advice can you provide me?

We offer the following investment advisory services to you:

Asset Management: We will offer you advice on a regular basis. We will discuss your investment goals, design with you a strategy that attempts to achieve your investment goals, and regularly monitor your account. We will monitor your account on a discretionary basis (we can buy and sell investments in your account without asking you in advance) and/or a non-discretionary basis (you make the ultimate decision regarding the purchase or sale of investments). We do not restrict our advice to limited types of products or investments. This service will continue pursuant to the terms of the executed Advisory Agreement. We have a minimum of \$1,000,000 to become a client, although we may make exceptions to this minimum on a case-by-case basis.

We sponsor a wrap fee program, which is for legacy clients only; no new clients are added to the wrap fee program.

If deemed appropriate, we may hire a Sub-Advisor to manage a portion of, or your entire account. In these circumstances, we will continue to monitor the activity of the sub-advisor to ensure it is the best fit for your needs.

Assets Held Away accounts will be monitored on an annual basis, unless requested otherwise by you. Trading in non-discretionary Asset Held Away accounts must be requested by you directly to the custodian on the account.

Financial Planning/Consulting: Services will be provided to you based on your selection on the Advisory Agreement and may include, but are not limited to, a review of investment accounts, including reviewing asset allocation; income taxation; retirement planning; a review of insurance policies and recommendations for changes, if necessary; a written financial plan; estate planning review and recommendations; and education planning with funding recommendations. For stand-alone plans, services will be considered complete upon delivery of the plan.

ERISA Services: We serve as a limited scope ERISA 3(21) Fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. Plans are monitored on an ongoing basis. We have a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using us can help the plan sponsor delegate liability by following a diligent process.

We act as an ERISA 3(38) Investment Manager where we offer discretionary management and control of a given retirement plan's assets. We are solely responsible and liable for the selection, monitoring and replacement of the plan's investment options on an ongoing basis.

Additional Information

For more information about our services, we recommend reading our ADV Part 2A Items 4,5,7,10, and if you are in our wrap fee program, Appendix 1 Items 4,5 at info.birchwoodfp.com/adv.

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?

We are paid for our services as follows:

Asset Management: You will be charged an ongoing quarterly fee based on the value of the investments in your account. Our maximum annual fee is 1.50% for investment advisory services. Fees are billed quarterly in advance. Our fees vary and are negotiable. The amount you pay will depend on the amount of assets in your household.

Generally, the more assets you have in your advisory account, the more you will pay us. We therefore have an incentive to increase the assets in your advisory account in order to increase our fees.

Our firm's fees will be automatically deducted from your advisory account, which will reduce the value of your advisory account. In

some cases, our firm will agree to send you invoices rather than automatically deduct our firm's fees from your advisory account.

Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell the investment. You may also pay a transaction fee to the custodian when we buy or sell an investment for you if you do not participate in our wrap program. You will also pay fees to the custodian that holds your assets (called "custody"). We pay the custodian's transaction fees for our legacy clients that participate in our wrap fee program. We have an incentive to recommend assets without transaction fees for our wrap service in order to reduce the amount of the custodian's transaction fees that we will have to pay for participating clients. You pay our advisory fee even if there are no transactions within the account.

Financial Planning/Consulting: We charge a maximum hourly fee of \$500 or a fixed fee of between \$1,000 and \$10,000 for a stand-alone plan/consultation upon delivery of the completed plan/consultation. Ongoing financial planning/consultations with an annual fee of between \$1,000 and \$25,000 will be payable monthly or quarterly within ten (10) days of receipt of invoice.

ERISA Services: The amount paid to our firm and your financial professional generally does not vary based on the type of investments selected on your behalf. The asset-based fee reduces the value of your account and will be generally deducted from your account. Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell the investment. Our fees vary and are negotiable. Generally, the more assets you have in the advisory account, the more you will pay in total fees. We therefore have an incentive to increase the assets in your account in order to increase our fees. You may also pay a transaction fee when we buy and sell an investment for you. You will also pay fees to a broker-dealer or bank that will hold your assets (called "custody"). We pay the custodian's transaction fees for our clients that participate in our wrap fee program. You pay our advisory fee even if there were no transactions within the account.

Additional Information

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 information regarding our fees and costs, review ADV Part 2A Item 5 at info.birchwoodfp.com/adv.

What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

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 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 investment advice we provide you. Here is an example to help you understand what this means:

Investment Advisor Representatives of Birchwood do not have any outside business activities that would cause a conflict of interest. However, they do have an incentive to encourage you to increase the assets in your accounts as, generally, the more assets you have in your advisory account, the more you will pay us. For example, if you had funds to either invest or pay off a mortgage or other debt, a conflict arises because we have an incentive to encourage you to invest those funds rather than pay off your debt.

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

Additional Information

For more information about our conflicts of interest, we recommend reading our ADV Part 2A, Items 5 and 10 at info.birchwoodfp.com/adv.

How do your financial professionals make money?

Our financial services professionals are compensated with a salary, a discretionary bonus or dividends for those professionals that are owners of the firm.

There is a potential conflict of interest because our financial professionals have an incentive to encourage you to increase your assets in your accounts. For more information about our conflicts of interest, we recommend reading our ADV Part 2A, Items 5 and 10 at info.birchwoodfp.com/adv.

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

No; please visit Investor.gov/CRS for a free and simple search tool to research Birchwood and our financial professionals.

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

Additional Information

To find additional information about Birchwood, please go to www.Birchwoodfp.com. If you would like to request up-to-date information as well as to request a copy of the relationship summary, please contact us via phone at 952-885-9088.

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 this person is treating me?