

A Summary of Your Advisory Relationship with Stepp & Rothwell, Inc.

Stepp & Rothwell, Inc. is registered with the SEC as an investment advisor.

- 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.

Relationships and Services

What investment services and advice can you provide me?

Stepp & Rothwell, Inc. provides investment advisory services to clients as part of a comprehensive financial plan. Financial planning services include retirement planning, income tax planning, cash flow planning, estate and family gift planning, insurance planning, education planning, charitable gift planning and investment planning. These services are based on each client's specific financial situation. Financial planning and investment advisory services are ongoing services and not provided on a one-time basis. We will meet with every financial planning client every quarter to update and make new planning and investment recommendations. We monitor and manage clients' investments on an ongoing basis between quarterly meetings.

Stepp & Rothwell's clients are mostly individuals, couples and families, along with business entities, trusts, estates and charitable organizations. We provide investment advisory services on a discretionary basis, unless the client is unable to give discretion over a specific account. Our investment advisory services include planning and supervision of all investment assets, regardless of where accounts are held. However, each client retains ownerships of all investment accounts and the ultimate decision-making authority over which investments are used.

In addition to comprehensive financial planning services, Stepp & Rothwell provides stand-alone investment management services to family members of comprehensive financial planning clients. We do not have a minimum account size for either comprehensive financial planning services or stand-alone investment management services.

Additional information about our services can be found on our [Form ADV in Items 4 and 7 of Part 2A](#)

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 these qualifications mean?*

Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Stepp & Rothwell charges an Annual Retainer Fee to provide comprehensive financial planning and investment management services. **The Annual Retainer Fee is calculated as: \$7,500 + 0.50% of Total Investment Assets.** Total Investment Assets includes all the client's investment accounts, including brokerage accounts, retirement plan accounts, variable life insurance and annuities, real estate partnerships and 529 Plan accounts. For example, a client with \$2,000,000 of Total Investment Assets would have an Annual Retainer Fee of $\$7,500 + 0.50\% \text{ of } \$2,000,000 = \$17,500$. The Annual Retainer Fee is calculated when a client hires Stepp & Rothwell and it is recalculated at each annual service anniversary. The Annual Retainer Fee is payable in four equal installments, which are billed at the start of each calendar quarter of the client's service year. The Annual Retainer Fee is negotiable.

Stepp & Rothwell charges an Annual Retainer Fee for stand-alone investment management services equal to 1.0% of Total Investment Assets. This fee is also recalculated at each annual service anniversary and billed in four equal installments.

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 fees will I pay? (continued)	<p>In addition to Stepp & Rothwell's Annual Retainer Fee, clients will pay some, or all, of the following fees and expenses: brokerage commissions, transaction fees, mutual fund, variable annuity or ETF management fees.</p> <p>Additional information about our fees can be found on our Form ADV in Item 5 of Part 2A</p> <p>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.</p>	
Fees, Costs, Conflicts, and Standard of Conduct, continued		
<p>What are your legal obligations to me when acting as my investment adviser?</p> <p>How else does your firm make money and what conflicts of interest do you have?</p>	<p>100% of Stepp & Rothwell's revenue comes from client retainer fees. <u>We do not earn commissions, or any other form of compensation from any other source.</u></p> <p>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.</p> <ul style="list-style-type: none"> • A client wants to buy a second home and is deciding whether to pay cash for it or to get a mortgage. If we recommend that they get a mortgage, then they would use less of their investments to make the purchase. As a result, our Annual Retainer Fee which is based on their total investment assets would be higher in subsequent years. • A client wants to make a large charitable gift. If we were to advise them not to make the gift now, but instead make it as part of their estate, then they would not give away some of their current investments and our Annual Retainer Fee would be higher in subsequent years. 	<p>Conversation Starter</p> <ul style="list-style-type: none"> • <i>How might your conflicts of interest affect me, and how will you address them?</i>
How do your financial professionals make money?	All employees of Stepp & Rothwell earn a salary and have typical employee benefits, such as health insurance. They may earn a bonus based on the firm's profitability, or from referring a new client to the Firm. Owners of the firm earn a share of annual profits in addition to their salaries. No employees earn any other form of compensation from the Firm.	
Disciplinary History		
Do you or your financial professionals have legal or disciplinary history?	<p>No.</p> <p>Please visit Investor.gov/CRS for a free and simple tool to research the Firm and its financial professionals.</p>	<p>Conversation Starter</p> <ul style="list-style-type: none"> • <i>As a financial professional, do you have any disciplinary history? For what type of conduct?</i>
Additional Information		
Additional Information	<p>More information about Stepp & Rothwell's services, fees and disclosures can be found at its website: steppandrothwell.com or by sending an email to info@steppandrothwell.com, or by calling its offices at 913-345-4800.</p>	<p>Conversation Starter</p> <ul style="list-style-type: none"> • <i>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?</i>

