

Watters Financial Services, LLC
May 17, 2021

FORM CRS

Watters Financial Services, LLC is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and it is important for you, our client, to understand the differences. Additionally, 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. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

We offer wealth management and financial planning services to retail investors. Detailed information regarding our services, fees and other disclosures can be found in our Form ADV Part 2A Items 4, 7, and 8 via the following link: <https://adviserinfo.sec.gov/firm/brochure/126339>.

Account Monitoring: If you open an investment account with our firm, as part of our standard service we will monitor your investments on a quarterly basis.

Investment Authority: We manage investment accounts on a **discretionary** basis whereby **we will decide** which investments to buy or sell for your account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

We also offer **non-discretionary** investment management services whereby we will provide advice, but **you will ultimately decide** which investments to buy and sell for your account. You may limit our non-discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Investment Offerings: We provide advice on various types of investments. Our services are not limited to a specific type of investment or product.

Account Minimums and Requirements: In general, we require a minimum account size to open and maintain an advisory account, which may be waived in our discretion.

Key Questions to Ask Your Financial Professional

- **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?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A, Items 5 and 6 via the following link: <https://adviserinfo.sec.gov/firm/brochure/126339>.

- We charge an **asset-based fee** for our portfolio management services, which is payable quarterly in arrears. Since the fees we receive are based on the value of your account, we have an incentive to grow your account value. For this fee, we provide Wealth Management which includes ongoing Financial Planning and Investment Management. Generally, we meet with clients quarterly for clients who have over \$500,000 under management.
- We also offer a one-time review of an investment portfolio on a fixed fee basis, which is payable periodically as invoiced.
- Additionally, there are two fees/costs paid by our clients, which are separate and distinct from our advisory fees:
 - Custodian transaction charges when purchasing or selling securities;
 - Management Fees charged by mutual funds and exchange-traded funds.

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.

Key Questions to Ask Your Financial Professional

- **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.

We only make money from the fees we charge our clients. Because our revenue is derived from asset-based fees, we have an incentive to encourage clients to grow assets with us. Refer to our Form ADV Part 2A via the following link: <https://adviserinfo.sec.gov/firm/brochure/126339> to help you understand what conflicts exist.

Key Questions to Ask Your Financial Professional

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

How do your financial professionals make money?

The Certified Financial Planners™ servicing your account(s) are compensated by a salary and net profits of the firm.

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

No, our firm, Certified Financial Planners™, and our staff currently do not and have never in the past had any legal or disciplinary history to disclose. Visit Investor.gov/CRS for a free and simple research tool.

Key Questions to Ask Your Financial Professional

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

You can find additional information about your investment advisory services via the following link: <https://adviserinfo.sec.gov/firm/brochure/126339> and request a copy of the relationship summary at 201-843-0044.

Key Questions to Ask Your Financial Professional

- **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?**

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Exhibit to Form CRS

Watters Financial Services, LLC is required to update its Form CRS when information in the Form CRS becomes materially inaccurate. This Exhibit summarizes the following material changes to the firm's Form CRS, implemented on July 9, 2020:

Watters Financial Services, LLC no longer provides financial planning on an hourly basis. Therefore, reference to hourly financial planning has been removed. Additionally, language has been added to disclose that Watters Financial Services, LLC now offers a one-time review of an investment portfolio on a fixed fee basis.