

# TROUTMAN WEALTH MANAGEMENT, LLC

101 Lindenwood Drive, Suite 225, Malvern, PA 19335

Form ADV-CRS (Customer Relationship Summary) Part 3

March 20, 2024

## Item 1: Introduction

*Troutman Wealth Management, LLC* (“TWM”) is an investment adviser registered with the United States Securities and Exchange Commission. Such registration does not imply competence. Free and simple tools, and educational materials about broker-dealers, investment advisers, and investing are available to research firms and financial professionals at <https://www.Investor.gov/CRS>.

## Item 2: Relationships and Services

### What investment services and advice can you provide to me?

It is important for you the customer to understand the difference in fees and services between brokerage firms and investment advisers. Our services include investment and portfolio advice and management and financial planning for individuals, families, businesses and non-profit organizations. Our firm is a fee only (refer to Item 3) investment advisory firm. After we agree on an investment strategy, you grant us discretion (we determine for you) how we manage your account. Your account is custom-tailored to your specific investment objectives. We do not use “wrap programs” or other mass distribution programs. We manage accounts on a client-by-client basis, and often on an account-by-account basis.

The minimum account size for starting and maintaining an advisory relationship is \$50,000. We, at our sole discretion, may accept clients with smaller portfolios or lower minimums based upon certain factors, which are listed in our ADV Part 2A on page 7. All accounts are reviewed with you by your assigned advisory representative, initially and at least annually or as agreed upon with you. The reviews focus on consistency of portfolio investments with investment objectives and risk tolerances. In addition, investment constraints are considered and tested against portfolio holdings.

Our investment adviser representatives are licensed advisers with the state(s) in which they conduct business. Stephen Troutman is a CERTIFIED FINANCIAL PLANNER™, CFP®, which is a professional certification mark granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”). Please refer to the firm’s Brochure Supplement-Part 2B of Form ADV for specific education, experience and qualifications of each of our professionals.

### How will we choose investments to recommend for your account?

After we jointly review your financial situation, TWM’s investment adviser representatives (“IARs”) primarily will recommend that clients authorize the active discretionary management of their assets. Account supervision is guided by the client’s stated objectives (e.g. conservative, moderate, balanced, growth, aggressive), as well as tax considerations. Based on these considerations, TWM will select specific investments for your portfolios through the use of fundamental and technical analysis, as well as, charting. TWM will exercise discretionary authority over your account, which means we will select the amount of securities bought and sold for your account with or without your prior approval.

**Conversation starters:** We encourage you to ask your finance advisor these key questions:

- (1) Given my financial situation, should I choose an investment advisory service? Why or why not?
- (2) How will you select investments under your discretionary authority?
- (3) What is your relevant experience and educational background in the financial services business? What do your qualifications mean?

## Item 3: Fees, Costs, Conflicts and Standard of Conduct

### What fees will you pay?

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. Our fee is based on the total market value of your account on the last day of the quarter following your account’s effective date. Fees for individually managed accounts are priced within a range of .5% to 1.0% depending upon the amount of the assets in the account, the complexity of the financial plan and the advisory services necessary for the particular Client. The asset management fee will be determined at the time of the advisory agreement.

For example, our fee on a \$500,000 account at 1.0% would be \$5,000 per year, deducted quarterly at \$1,250 per quarter. Unless paid outside of the assets in the account we manage, the asset-based fee reduces the value of your account and will be deducted from your account. As your investment adviser, we have to act in your best interest and not put our interest ahead of yours.

**Please note, 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 will be paying.**

Mutual funds and ETFs recommended by TWM have underlying fees that are disclosed in their prospectuses. Other costs incurred in your account may include prime broker charges, wire transfer and electronic fund transfer fees, fees and taxes on brokerage accounts and securities transactions. We do not collect any fees or revenue from these products.

What are our legal obligations to you as an investment adviser?

*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.

Example 1: TWM and/or its investment advisory representatives may purchase or sell investments that they recommend to clients. In such circumstances, we may have a financial interest in recommending such investments.

Example 2: TWM and its investment adviser representatives receive compensation based on a percentage of your assets under management. As the value of your assets under management increase, total compensation you pay to TWM and its representatives also increases. However, if your account value decreases, you still pay a fee to TWM and its representatives.

Additionally, TWM has a contractual relationship with DPL Financial Partners, LLC (“DPL”), a third-party provider of an insurance platform offering insurance consultation services to investment advisers with clients who have current or future needs for insurance products. DPL's platform is available to our clients for a fixed annual fee paid by us. We have a conflict of interest in recommending DPL's services, because the insurance products sold by DPL will be managed by us for an advisory fee. You are under no obligation to purchase insurance through DPL or otherwise engage us to manage insurance assets.

How do your financial professionals make money?

Our fees are based on the value of the client's assets under management. Because our income comes from the fee we charge on assets, we may take risks to increase the value of your assets so we can earn additional income. We also have an incentive to encourage clients to allocate greater assets to our management services. Additionally, we have a relationship with certain outside insurance agencies, which may offer our clients insurance policies that we may manage for a fee. Clients are under no obligation to purchase insurance from such agencies. Our portfolio management standards and compliance procedures provide guidance to manage your account in accordance with your best interest regardless of this conflict.

**Conversation starter:** If you have any questions concerning our fees or conflicts of interest, please feel free to ask us questions, such as: “How may your conflicts of interests or fee structure affect me, and how will they be addressed?”

#### **Item 4: Disciplinary History**

Do we or our financial professionals have legal or disciplinary history?

No. We encourage you to visit [investor.gov/CRS](http://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

**Conversation starter:** Feel free to ask: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

#### **Item 5: Additional Information**

Where is additional information available?

You should independently confirm all of the information stated here with our other regulatory filings. For additional information on our investment advisory services, see our Form ADV, along with the brochure supplement on each of our financial professionals, on IAPD on [Investor.gov](http://Investor.gov). Information regarding our firm can be found at [adviserinfo.sec.gov](http://adviserinfo.sec.gov) or by calling our firm at the telephone number listed below for up-to-date information. If you have a problem with your investments, investment account or a financial professional, contact us in writing at the address listed above. If you fail to gain timely satisfaction through this course of action, you may wish to report the problem to the SEC at [Investor.gov](http://Investor.gov) or call the toll-free investor assistance line at 800-732-0330.

**Conversation starter:** we welcome you to ask “Who is my primary contact? Is he or she a representative of an investment adviser representative? With whom may I speak if I have concerns about my primary contact?”

Your adviser serves as your primary contact with our firm. If you have concerns about how this person is treating you, you should contact our Chief Compliance Officer, Stephen Troutman, at (877) 393-9660.