

## Magnate Advisory Services, LLC (MAS)

Form ADV Part 3, effective date: 6/30/2020

MAS is registered with the Securities and Exchange Commission (SEC) as an Investment Adviser. Brokerage and Investment Advisory services and fees differ, so it is important retail investors understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about Broker-Dealers, Investment Advisers, and investing.

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

- Our **Investment Advisory** services include fee-based Financial Planning and Portfolio Management services.
- Our Portfolio Management services are offered on a **discretionary basis**; meaning you give your Advisor authority to make investment selections, investment buys and sells on your behalf, with or without your prior approval.
- In certain instances, our Portfolio Management services are offered on a non-discretionary basis; meaning you must approve all investment selections, investment buys and sells in your account prior to any action being taken. Written approval is required by firm management for this type of service.
- We will offer you investment advice on a regular basis. We will discuss your investment goals and design a strategy with you to achieve your investment goals. We regularly monitor your account and will contact you via phone, mail, or email at a minimum annually.
- We believe professional Investment Advisory programs can help investors pursue their investment objectives. However, the fees and expenses associated with advisory services may be higher than a brokerage account.
- We do not have limited investment offerings. We are a full-service firm.
- We do not have a minimum account size or investment amount. Account minimums and other requirements are established by our custodians and third-party investment managers. The minimum investment amount is disclosed in the respective ppm or prospectus for mutual funds, exchange-traded funds, and alternative investments.

***For additional information, please see Magnate Advisory Services, LLC CRD #283056 at [www.brokercheck.finra.org](http://www.brokercheck.finra.org) and see our Form ADV Part 2, and our Regulation Best Interest Disclosures at [www.MagnateWealth.com](http://www.MagnateWealth.com)***

### ***Conversation Starters to ask your financial professional:***

- ***Given my financial situation, should I choose an investment advisory service?***
- ***Should I choose a brokerage service?***
- ***Should I choose both types of services -- 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?***

- For Portfolio Management services we charge Asset-based fees. You will pay us an on-going fee on a pro-rata annualized basis monthly or quarterly in arrears, based on the value of the cash and investments in your advisory account. The Asset-based fee reduces the value of your account and will generally be deducted from your account directly.
- For Financial Planning services we charge Hourly and Fixed Project fees. The engagement contemplates factors such as the complexity of the Client's financial profile, the depth of services to be provided through the engagement, assets that comprise the portfolio, number of accounts comprising the portfolio, time involved in the engagement, among others.
- Our fees vary and are negotiable. The dollar amount you pay will depend on the services you receive and the amount of assets in your account. Our maximum fee is 2% of assets under management. See Form ADV, Part 2A, item 5 for our fee schedule.
- You may pay a transaction fee when we buy and sell an investment on your behalf. You may also pay additional fees such as custodian fees, account maintenance fees, third-party investment manager fees, technology fees, and other transactional and product level fees. We may receive a portion of the additional fees. We do not offer a Wrap Fee program, where transaction costs and custody services are included in your Portfolio Management services.
- An Asset-based account may cost more than a transaction-based account.

- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account to increase our fees. You will pay our fee even if you do not buy or sell, and even if you lose money. This is a conflict of interest.

**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 additional information, please see our Regulation Best Interest Disclosures and custodian/clearing firm fee schedules located on our website at [www.MagnateWealth.com](http://www.MagnateWealth.com), Form ADV, Part 2A brochure.

**Conversation Starter 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 providing recommendations when acting as my Investment Adviser? How else does your firm make money and what conflicts of interest do you have?**

When we provide you with a recommendation as your Investment Adviser, we are required 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means:

Many of Magnate Advisory Services' Investment Adviser Representatives serve as Registered Representatives of Silver Oak Securities, Inc. When acting in this capacity, the representative will receive commissions for selling securities products. This could create a conflict of interest when the Representative recommends you purchase securities products.

Many of Magnate Advisory Services' Investment Adviser Representatives serve as licensed Insurance Agents. When acting in this capacity, the Representative will receive commissions for selling insurance products. This could create a conflict of interest when the Representative recommends you purchase insurance products.

Magnate Advisory Services, LLC has an affiliated insurance agency, Capital Wealth Management, LLC. Investment Adviser Representatives may receive compensation from the sale of insurance products through this agency. This revenue sharing and third-party payment could be a conflict of interest.

**For complete information on these and other conflicts of interests, and how they may apply to your situation in brokerage or advisory accounts, please see our Regulation Best Interest Disclosures located at [www.MagnateWealth.com](http://www.MagnateWealth.com)**

**Conversation Starter 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?**

- Investment Adviser Representatives and the firm make money on a percentage of assets you invest with us.
- The amount of money we charge is based on factors such as the amount of client assets, the time and complexity required to meet a client's needs, or the revenue the firm earns from the Investment Adviser Representative's advisory services or recommendations.
- Hourly and Fixed Project fees for Financial Planning Services.

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

Yes. Disciplinary information is in our Form ADV (Item 9 of Part 2A, except to the extent such information is not released to BrokerCheck, pursuant to FINRA Rule 8312). Disclosures for any of our financial professionals is in Item 14 A-M on Form U4, or in Items 7A or 7C-F of Form U5, or on Form U6.

For information about these disclosures, as well as additional regulatory information about our firm and our registered persons, visit Investor.gov/CRS for a free and simple search tool to research us and our Financial professionals. Disclosures are found in our Form ADV and are available upon request.

**Conversation Starters to ask your financial professional:**

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

**Additional Information**

For additional information about our services, please visit [www.MagnateWealth.com](http://www.MagnateWealth.com), or call (502) 855-3160, where retail investors can request up-to-date information and a copy of Form CRS