

Jerry Borzello founded American Wealth Management, Inc. (“AWM”) in 1990 as a FINRA member and SEC-registered broker. AWM is also a SEC-registered investment advisory firm. There are free and simple tools available to research firms and financial professionals at www.investor.gov/crs which also provides educational materials about investment advisers, broker-dealers and investing.

AWM has been a full-service financial advisory firm for over 30 years and offers a broad selection of investment options. The firm’s goal is to provide a boutique wealth management experience and to achieve its client’s long-term goals and objectives.

There are different ways a client can seek investment advice. This document has been created to illustrate the different investment options AWM offers. There are key differences between the way we get paid depending on whether you receive services through AWM’s broker/dealer or registered investment advisory department. It’s important for you to understand these differences and make the right choice for your investment needs.

This Client Relationship Summary (Form CRS) provides a summary of the types of services we provide and how you pay for those services. Additional information about our advisory services is located in our Firm Brochure which is available at www.americanwealthmanagement.com.

What investment services and advice can you provide me?

We offer both brokerage and investment advisory services to our retail investor clients.

BROKERAGE (COMMISSION-BASED)

As a broker/dealer, AWM’s primary service is buying and selling securities at the client’s direction. The AWM financial professional may offer recommendations to buy, sell, or hold securities, but the retail investor makes the ultimate decision regarding the purchase or sale of investments, and **you will pay a commission** at the time of a transaction. Some of the types of securities we offer include equities, fixed income, mutual funds, and variable annuities. You may also hold these types of securities in an investment advisory (fee-based) account.

INVESTMENT ADVISORY (FEE-BASED)

The investment advisory programs offered by AWM includes:

Fee-Based - Investment Advisory Accounts: A managed account program may be:

Discretionary – The Registered Investment Advisor Representative makes investment decisions to buy, sell, or hold securities in the account.

Non-Discretionary – The Registered Investment Advisor Representative offers advice and recommendations to buy, sell or hold securities. The Client will make the ultimate investment decision.

For a fee-based account, you will be charged a percentage of the assets under management on a quarterly basis.

Monitoring

Brokerage

Unlike a Discretionary Investment Advisory Account, your AWM financial professional does not routinely provide monitoring services for the client's brokerage account(s). The financial professional may voluntarily review the holdings in a client's account(s) and may make a buy, sell, or hold recommendation. This buying/selling will be in accordance with the type of account program selected by the client.

Investment Advisory

If you have an investment advisory (fee-based) account, AWM, and the Registered Investment Advisory Representative will conduct ongoing monitoring of the client's advisory accounts(s). Such reviews will pay particular attention to the client's objectives and risk tolerance. All voluntary account reviews do not represent an account monitoring service.

Account Minimums

Brokerage

AWM generally does not require a minimum account size to open a brokerage account. There are limited exceptions related to particular account types.

Investment Advisory

Other than limited exceptions, AWM does require a minimum account size to open an investment advisory account.

Questions to ask your professional:

- **Given my financial situation, should I choose a commission-based brokerage account or a fee-based 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?

BROKERAGE (COMMISSION-BASED)

Brokerage account will incur transaction charges that may include the following:

- Commissions
- Markups and markdowns (similar to commissions)
- Upfront or ongoing fees that are paid to a mutual fund or another product issuer, a portion of which is paid to AWM in connection with the transaction; and
- Handling and processing fees on each securities transaction.

Depending upon your account and relationship, you may also incur periodic account maintenance

INVESTMENT ADVISORY (FEE-BASED)

Fee-based accounts are offered in 2 forms, investment advisory accounts or wrap fee accounts both of which are assessed quarterly fees at an agreed upon annual rate.

For the advisory accounts, there are 2 types: one that clears through Raymond James and another that utilizes TD Ameritrade (soon to be Charles Schwab) as a custodian. The AWM accounts that go through Raymond James pass through to the client a marginal clearing cost per transaction to the client. The other advisory account AWM offers through TD Ameritrade (soon to be Charles Schwab) there are no clearing fees on equity and ETF transactions. There are some

or IRA custodial fee, as well as processing, service, and account fees upon certain events or occurrences. You will incur interest charges if you borrow on margin using a securities-based loan in any of your accounts. Certain investments, such as mutual funds, have embedded fees that are generally paid by you to the companies that sponsor, manage and/or promote the investment.

Transaction charges differ from one product to another which creates an incentive to recommend products that have higher transaction charges. You will incur greater transaction charges when there are more trades in your account, which creates an incentive to encourage you to trade more often.

clearing fees for other investment vehicles (mutual funds, and fixed income) which are variable and passed on to the client.

The other alternative fee-based product offers a “wrap” fee account that covers the applicable advisory fee, third-party manager fees, execution charges on trades, including custody and clearing services that can increase the negotiated fee. The wrap fee does not include commissions and other charges for trades that a third-party manager directs to another broker/dealer. In addition, it does not include underlying management fees and operating expenses for investment products and other charges described in our advisory brochure.

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.

What are your legal obligations to me when providing recommendations as my broker-dealer or 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 broker/dealer or act as your investment adviser, we must 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:

As a broker-dealer, AWM has an incentive to encourage a retail investor to trade often since a retail investor would be charged more when there are more trades in his or her account.

As an investment adviser, AWM may have an incentive to encourage the retail investor to increase the assets in his or her account since the more assets the firm manages, the more a retail investor will pay in fees.

Questions to ask your financial professional:

- **What were the most common conflicts of interest in your advisory and brokerage accounts?**
- **How might your conflicts of interest affect me, and how will you address them?**

When recommending security investments or investment strategies, AWM and its financial professionals will put the Client's best interest first. AWM financial professionals must treat the client fairly and comply with a number of specific obligations and regulations. If AWM or its Financial Professional's interests conflicts with the Client's interests, the firm will manage, mitigate, or eliminate said conflicts and/or inform the Client of the conflicts.

Questions to ask your Professional

- **Help me understand how these fees and costs might affect my investment. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

How do your financial professionals make money?

Most AWM Financial Professionals are compensated as described below:

- Commissions, markups and markdowns in brokerage accounts. These charges may vary by the specific type of securities product.
- Advisory fees in advisory accounts. Generally, these fees are assessed quarterly at the rate described in your advisory agreement. To compute the charge, multiply the Total Statement Value at the end of each Quarter by the contract rate as specified in your Investment Advisory Agreement (Schedule A). One-fourth of the annual fee is collected quarterly.
- Fees related to other products and services provided to the client. For example, a fee to create a Financial Plan.
- Ongoing fees, from mutual fund sponsors and certain other product issuers.

Conflicts of Interest

Financial Professionals may benefit from a recommendation to the client. Some Financial Advisors may make an extra commission by recommending certain products, sharing agreements with product sponsors, and/or through proprietary trading.

Do you or your financial professional have a legal or disciplinary history?

Yes, please visit www.investor.gov/CRS for a free and simple search tool to research AWM and our financial professionals.

Ask your financial professional:

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

Additional Information

Ask your financial professional:

- **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?**

Additional information about AWM can be found at www.americanwealthmanagement.com. AWM and our representatives may also be researched on Broker Check (www.BrokerCheck.org) or by visiting www.investor.gov/CRS or clients may contact AWM at 770-392-8740.

Updated Client Relationship Summary (Form CRS Exhibit)

In May 2023, AWM updated its Form CRS to comply with the disclosure requirements of the SEC and FINRA rules, regulations, and standards. Each retail client of AWM, brokerage or advisory, will receive an updated Form CRS along with a copy of this Material Changes page and an additional disclosure highlighting the specific changes that were made to the Form CRS.

The following changes were made to the AWM Form CRS:

- In the most recent version dated 2023, AWM changed the order in which some disclosure items appeared in Form CRS, and specifically Items 3A and 3B, in accordance with the General Instructions for Form CRS (1.B.) as required by the Rules of the SEC.
- AWM removed a previous disclaimer from Form CRS that was not required or permitted by the Form CRS instruction or disclosure Items.
- Included a disclosure, with emphasis, addressing standards of conduct when we provide recommendations subject to Regulation Best Interest as a broker/dealer, as follows:
 - When we provide you with a recommendation as your broker dealer or act as your investment adviser, we have to act in your best interest and not put our interests 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.
- The most recent version of Form CRS was amended to reflect the disciplinary history of its owners and financial professionals including both regulatory matters and financial disclosures to mirror previous disclosures made on past versions of the AWM Form ADV.
- We also modified verbiage to clarify conflicts of interest that may occur while doing business at American Wealth Management, Inc.