

AWM Financial Services, Inc

ADV Part 3 – Client Relationship Summary

March 21, 2025

Item 1: Introduction

AWM Financial Services, Inc (“AWM” or “Firm”) 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, portfolio advice 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. AWM meets with you initially to understand your financial situation, existing resources, objectives, risk tolerance, and other factors affecting your investment decisions.

How will we choose investments to recommend for your account?

After we jointly review your financial situation, AWM’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. In most cases, AWM 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.

AWM will reach out to you at least annually to review your accounts for potential adjustments in order to meet your changing needs and goals. We do not use “wrap programs” or other mass distribution programs. The minimum account size for starting and maintaining an advisory relationship is \$500,000. 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.

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 choose investments to recommend me?*
- 3) *What is your relevant experience, including your licenses, education and other qualifications? 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 at a maximum of 2.0% 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 confirmed at the time of the advisory agreement.

For example, our fee on a \$500,000 account at 2.0% would be \$10,000 per year, deducted monthly at \$833.33 per month. Unless the fee is paid from 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. AWM imposes an annual administrative and technology fee of \$50 on all accounts. This fee is debited at the end of the May billing cycle.

Financial Planning & Consulting Services Fees

AWM may provide its clients with consulting services, to include financial planning. If a client engages us for consulting services, we will charge an hourly fee of \$1,000. The fee is negotiable depending on the nature, complexity, and time involved in providing the client with the requested services.

If the client engages AWM for additional investment advisory services, AWM may offset all or a portion of its fees for those services based upon the amount paid for the consulting services. In our discretion, we may also waive or offset a portion of the

financial planning fee by commissions earned by Associated Persons for the sale of insurance products, in their separate capacities as insurance agents.

Prior to engaging AWM to provide consulting services, the client will generally be required to enter into a written agreement with us. The agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the portion of the fee that is due from the client. Generally, AWM requires full payment upon the completion of the agreed-upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates AWM's consulting services, the fee will be pro-rated through the date of termination, and any remaining balance will be charged to the client.

Pension Consulting Services Fees

The compensation arrangement for these services will be based on hourly fees or fees based on a percentage of assets under management. Pension consulting services will be negotiated on a case-by-case basis and the exact fee paid by the client will be clearly stated in the agreement signed by the client and the Firm.

If you choose to have AWM's fee deducted directly from your account, you must provide authorization. The qualified custodian holding your funds and securities will send you an account statement monthly. This statement will detail account activity. Please review each statement for accuracy.

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: AWM and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to clients. In such circumstances, the Firm or its investment adviser representatives may have a financial interest in recommending investments that AWM or its representatives also own.

Example 2: AWM 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 the Firm and its representatives also increases. However, if your account value decreases, you still pay a fee to AWM and its representatives.

How might our conflicts of interest affect you, and how will we address them?

Because AWM charges clients a fee based on the value of the client's assets under management, we benefit from the advisory services we provide to you. Since our income comes from the fee we charge, we may take risks to increase your assets so we can earn additional income. We also have an incentive to encourage clients to allocate greater assets to our management services. However, 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 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. Information regarding our firm can be found at adviserinfo.sec.gov or by calling our firm at the telephone number listed below for up-to-date information.

Conversation starter: *Who is my primary contact? Is he or she a representative of an investment advisor representative? Who can I talk to if I have concerns about how this person is treating me.*

Your advisor 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, Daniel Ryan Wheless at (281) 444-7555.