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## Conflicts of Interest Disclosure

December 31, 2023

Romano Brothers & Co., also operating as "Romano Wealth Management," (RWM) is a broker-dealer registered with FINRA, and also as both a broker dealer and an investment advisor registered with the SEC (U.S. Securities & Exchange Commission). Our primary mission is to assist our clients in achieving their financial and investment goals. As with all businesses, there are normal conflicts of interest that may occur and which we constantly strive to mitigate or remedy. However, given the structure of the broker-dealer and RIA business models, it is not possible to avoid all possible conflicts. Below is a disclosure of inherent industry structural conflicts along with our method for mitigation. This listing also includes additional sources of revenue that we may receive in addition to customary management fees or commissions.

### Mutual Fund & ETF Payments

Based upon the investment objectives of the client, RWM may recommend investments in, or the retention of, mutual funds or exchange traded funds (ETFs). Both mutual funds and ETFs may incur management and administrative expenses which are collected inside of the fund. A portion of these expenses may be paid to RWM (i.e. 12b-1 fees), which is in addition to the overall management fee assessed by us. Our management style is to use individual securities, which do not have these expenses, or to further mitigate the impact of fee drag through the use of lower cost ETFs in place of mutual funds. However, for smaller portfolios, mutual funds and/or ETFs may be utilized as they are the most efficient way to provide sufficient diversification.

### Bank Sweep Revenue Sharing

Client liquid funds are typically invested in an FDIC-insured cash sweep program on a daily basis. Interest is paid at the current bank rate for short-term demand deposits. This program will automatically invest and redeem uninvested cash held in a portfolio. FDIC coverage is provided for cash investments of \$1.25 million or less, depending upon the fund selected. As part of its clearing agreement and as a way to offset clearing expenses paid by the firm, RWM receives an offsetting revenue share from First Clearing, a trade name of Wells Fargo Clearing Services, LLC, based upon the aggregate amount of customer funds deposited and the Fed Fund target rate. Under RWM's agreement with First Clearing, this may result in as much as 85 basis points (0.85%) annual rate of the cash balances. This payment from First Clearing may be considered a conflict of interest, as it could form an incentive for RWM to direct client asset flows into lower yielding cash returns for its own gain. However, given that the firm's most significant source of compensation is asset-based management fees, our focus and ultimate incentive is to grow assets by generating the highest returns possible on a risk adjusted basis for our clients. Thus, any conflict is mitigated by the fact that the lower returns of excessively large balances affect the overall performance of a portfolio and the upside potential of both RWM and the client.

### Bond MarkUps/MarkDowns

RWM, in its capacity as principal, does buy or sell fixed income securities from or to its clients through the broker dealer arm of the firm which gives us direct access to the broader inter-dealer bond market. This gives us the ability to search for undervalued bonds from other bond dealers and competitively bid them. These bonds are reoffered to our clients at competitive yields relative to their comparative benchmarks.

Our policy is to mark up or mark down securities from the inter-dealer bid or offer price as specified in the investment management contract. This policy yields additional compensation to the firm and as such might provide a potential conflict of interest. We believe this conflict is mitigated because if the securities were not purchased through the firm, a similar markup or markdown would be applied by another executing firm, though we cannot guarantee whether the concession would be more or less. To further mitigate any conflict, the amount of any markup or markdown is detailed on all customer confirmations and advisory customers have up to five business days after settlement to rescind a fixed income trade they don't consent to. Finally, RWM employs a comprehensive Best Execution Policy which seeks to ensure that the price you pay is fair and competitive. This process is supervised by the Chief Compliance Officer and the fixed income Principal Trader.

### Ownership of Similar Securities

RWM employees and their families, charitable organizations, and retirement plans may purchase the same securities as are purchased for clients in accordance with our compliance procedures. The personal securities transactions by RWM representatives and employees may raise potential conflicts of interest when they trade in a security that is either owned by a client, or considered

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for purchase or sale for a client. Such conflict generally refers to the practice of front-running (trading ahead of clients), which RWM specifically prohibits. RWM has adopted policies and procedures that are intended to address these conflicts of interest. Ultimately, since RWM employees and related accounts may own similar holdings as recommended to customers, we have a similar stake in the performance of the investments we recommend. Furthermore, we generally deal in highly liquid securities. Any position taken by the firm or its principals would not significantly influence market price.

#### Access to Custodial Services

Custodians may also make available to RWM other products and services that benefit the firm but may not directly benefit a client account. These products and services may be used to service all or some substantial number of RWM accounts. Custodians also make available to RWM software and other technology that provides access to client account data, facilitates trade execution, provides pricing and other market data, facilitates payment of management fees, and assists with administrative functions such as recordkeeping and client reporting. RWM selects custodial and other service providers based upon a cost benefit analysis of the services they provide to us and our entire client base.

#### Romano Wealth Management Administrative Service Fee

Depending upon the service platform selected, your fee structure may include an annual administrative fee, which is billed on a quarterly basis. This fee covers ancillary administrative and financial planning services we provide to you throughout the year. The fee is designed to be reasonable and takes into account your investment needs and your level of trading activity. All fees are mutually agreed upon and memorialized in a written document executed with your signature. At any time, you are free to move to another service tier and your fees will be adjusted accordingly.

#### Margin Lending/Non-Purpose Lending

For customers who desire a line of credit, RWM may be able to coordinate a loan from First Clearing through Margin Lending or Non-Purpose Lending. RWM may receive compensation in the range of 0 – 2.75% of the loan amount, depending on the spread between our cost of borrowing and your rate. This conflict is mitigated through disclosure and clients are always encouraged to inquire with other lenders and to compare rates.

#### Insurance Services

As part of our financial planning process, RWM routinely conducts Insurance Analysis. Depending on a client's particular insurance needs, we are happy to work with an agent with whom they have an existing personal relationship, or to refer one we know to be qualified. RWM may refer you to one or more insurance general agents or carriers for life, disability, long term care, or other insurance needs, and many clients prefer this as part of a "one stop shop" or "financial supermarket" model. Under this arrangement, RWM will act as the introducing agent, while the general agent will service the policy. This may result in a conflict of interest, as in most cases, RWM will receive a commission of approximately the first year's premium plus a small ongoing annual fee, and that fee arrangement will be discussed upfront and provided upon request. This conflict is mitigated in several ways. First, you may choose your own agent or work with your existing one, as we prefer to work alongside other professionals for whom you have an existing relationship and are comfortable with. We generally make recommendations only when an existing professional does not exist or has not been identified. Further, we know the general agents and carriers we work with to be competitive, as they represent multiple carriers and can quote a variety of providers, so through a transparent process the most cost-effective policy can be selected. Finally, we recommend consulting other brokers as well to ensure competitive rates and coverage terms.

#### Conclusion

While it is impossible to detail all possible conflicts of interest, the above descriptions are provided to keep you better informed of the inherent conflicts in our industry and to detail our method for mitigating these conflicts. If you have any questions, please contact your Portfolio Manager or our Chief Compliance Officer.