



Romano Brothers & Company

Helping you make an informed decision

Form CRS Customer Relationship Summary - January 09, 2023

Introduction

Romano Wealth Management (RWM) is dually registered with the U.S. Securities and Exchange Commission as a broker-dealer and investment advisor. RWM is also registered with FINRA and is a member of the Securities Investor Protection Corporation.

Brokerage and investment advisory services and fees differ and it is important for the retail investor to understand the differences.

Free and simple tools are available for you to use at [Investor.gov/CRS](https://investor.gov/CRS), a website maintained by the SEC. These tools can provide you with educational materials about broker-dealers, investment advisers, and investing.

This relationship summary provides information that helps you make an informed decision about whether or not to invest with us and will answer the following questions:

- What investment services and advice can you provide me?
- What fees will I pay?
- What are your legal obligations to me when providing recommendations as my broker-dealer, or when acting as my investment adviser? How else does the firm make money and what conflicts of interest do you have?
- How do your financial professionals make money?
- Do you or your financial professionals have legal or disciplinary history?
- Where can I find additional information?

Terms to know

- A **broker-dealer** is a firm that acts as an intermediary between buyers and sellers of securities for which they will usually receive a commission and may purchase or sell those securities in/out of their own account.
- An **investment adviser** is generally any person or group that provides investment advice or conducts securities analysis in exchange for a fee.

What investment services and advice can you provide me?

Our clients invest in common stock, tax exempt bonds, government securities, corporate bonds, certificates of deposit, stock options, mutual funds, exchange traded funds, unit investment trusts, and other derivative securities such as reverse convertible notes. We are generally long-term, conservative, value-oriented investment managers.

RWM is dually registered as a broker-dealer and an investment advisor, and therefore offers these investments and its services through both brokerage and investment advisory accounts.

Information on how we handle brokerage (non-advisory) accounts can be found herein and more specifically in our Regulation Best Interest disclosure <https://www.romanowealth.com/BI>.

Information on investment advisory services offered can be found herein and more specifically in our SEC Form ADV Part 2A found at <https://www.romanowealth.com/ADV>.

More general information about our firm history, services, and employees can be found at <https://www.romanowealth.com>.

Conversation Starters - 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?

Brokerage Services

When you establish a brokerage account with us, you have the ability to buy, sell, and hold investments within your account. The primary service we provide you is our trading and execution capability, as well as custody services.

Brokerage services offered by RWM include unsolicited and solicited trade execution, cash management services, and retirement products. If requested, RWM portfolio managers will also recommend securities and strategies to the brokerage client on a best interest basis. When acting in a brokerage capacity we do not have discretion to execute trades without the customer's consent. It is important to understand that Brokerage Services do not include ongoing account monitoring. Ongoing monitoring is provided to Investment Advisory customers only.

When we act in a brokerage capacity, we do not act as a fiduciary, except as required by the U.S. Department of Labor for all retirement accounts.

Information on how we handle brokerage (non-advisory) accounts can be found herein and more specifically in our Regulation Best Interest disclosure <https://www.romanowealth.com/BI>.

For the purposes of this summary, the term "broker" at this firm means an individual licensed as a registered representative with the Financial Industry Regulatory Authority (FINRA) and performing services solely under this registration.

Investment Advisory Services

When you establish an investment advisory account with us, we perform the services listed above but on a more comprehensive basis.

We offer our investment advisory clients personalized attention required to meet their specific investment needs. We assess and reassess individual income requirements, tax situations, estate planning concerns, and other issues related to investment recommendations. Based upon these parameters, investment recommendations are then custom-tailored to the client's needs according to asset allocation and risk tolerance. Portfolios, rather than simply individual recommendations, are individually constructed to the needs of the client. Investment advisory accounts receive wrap fee services which includes portfolio management, financial and retirement planning, trade execution, and custody.

Additionally, we act as a fiduciary for our investment advisory clients. As a fiduciary, RWM has an ongoing relationship to monitor the holdings in your portfolio and trade as necessary to meet your financial goals.

Information on investment advisory services offered can be obtained from the SEC Form ADV Part 2A available at <https://www.romanowealth.com/ADV>.

For the purpose of this summary, the term "advisor" means an individual licensed as a registered representative and, additionally, as an investment advisor representative with the Securities & Exchange Commission (SEC).

What fees will I pay?

As a client of RWM, you are likely to be assessed fees in one or more of the following common categories: management fees, commissions, bond markups, and account servicing fees. Under certain but less frequent circumstances, you may also incur ancillary fees assessed by our clearing agent for custodial or other purposes.

Examples of such ancillary fees may be for cash management services such as wire transfers, stop payments, and overdrafts. A complete schedule of such fees can be viewed at <https://www.romanowealth.com/Fees>.

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. Additional information is provided for your benefit below.

Conversation Starters - 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?

Brokerage Services Fees

Accounts handled on a brokerage basis pay commission on a per trade basis as well as an Account Service Fee. The more trades executed, the higher your fee will be. We also receive fees from principal trading (bond markups), mutual fund 12b-1 fees, money fund rebates, referral fees from lending products, and consultation fees for financial planning services.

Our per trade commission schedule, along with a schedule of our Account Service Fee charged to all brokerage accounts can be found on our Fee Schedule at <https://www.romanowealth.com/Fees>.

Per trade commissions present a potential conflict of interest. However, RWM is required to only recommend trades that are suitable, appropriate, and in the customer's best interest as outlined in the SEC Reg BI Document <https://www.romanowealth.com/BI>.

Investment Advisory Services

Accounts handled on an advisory basis pay a management fee based upon the value of the assets under management. Fees start at 1% and tier down to 0.65% of the household account value.

For accounts managed by RWM on a discretionary basis, the fees that RWM receives come primarily from investment management. This fee includes portfolio management, trade execution and clearing, and custody. As with accounts handled on a brokerage basis, we also receive fees from principal trading, mutual fund 12b-1 fees, money fund rebates, and referral fees from lending products.

The more assets in an account we handle on an advisory basis, the larger the management fee. We are held to a higher standard in Investment Advisory accounts and act as your fiduciary.

Other Fees and Costs

In addition to the fees detailed above for Brokerage and Investment Advisory accounts. Other charges that you may incur include bond markups and markdowns, interest charged when you borrow money through First Clearing or Wells Fargo Bank, custody fees for brokerage accounts, IRA custodian fees for brokerage accounts, fees associated with check writing services, wire transfer fees, and stop payment fees. For a full listing please see <https://www.romanowealth.com/Fees>

What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does the firm make money and what conflicts of interest do you have?

Standard of Conduct

When we provide you with a recommendation as your broker-dealer, we are held to a regulatory standard whereby 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.

When we act as your investment adviser, we are held to a legal standard whereby we must act as a fiduciary 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 interest. You should understand and ask us about these conflicts because they can affect the services and investment advice we provide you. Here are some examples to help you understand what this means.

Conversation Starters - ask your financial professional:

- How might your conflicts of interest affect me, and how will you address them?

Examples of Ways We Make Money and Conflicts of Interest (COI)

As described earlier in this document, the primary way we make money is by charging commissions (for brokerage accounts) and management fees (for advisory accounts).

For our brokerage accounts, because commissions are transaction based, a COI exists as we are incentivized to make recommendations and trade your account thereby generating more fees to us. However, this conflict is mitigated by our regulatory responsibility to make recommendations based upon your financial situation and in your best interest.

For our investment advisory accounts, our management fees only grow if your account balances grow. Thus, our firm goals may be better aligned with the goals of our managed clients. However, COIs may still exist. For example, we receive additional revenues from principal trading (bond markups), mutual fund 12b-1 fees, money fund rebates, insurance commissions, and referral fees from lending products. A COI exists because there is a potential incentive to move into these products to generate additional revenue to the firm. However, this conflict is mitigated not only by our regulatory and fiduciary responsibility, but mainly because our main source of revenue is asset based fees that grow only when your account grows.

For additional information about potential conflicts of interest, please see our COI disclosure at <https://www.romanowealth.com/COI>.

How do your financial professionals make money?

Our financial professionals are paid a percentage of the revenue they bring to our firm. This percentage ranges from 0-50%. Newer financial professionals may also be paid a salary.

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

No, none of our registered financial professionals have any legal or disciplinary history.

In our over 60 year history, RMW has had only one regulatory matter from 2018 regarding the use of client testimonials in a video produced for our 50th company anniversary. Details of this finding can be found at <https://brokercheck.finra.org/>.

Conversation Starters - ask your financial professional:

- As a financial professional, do you have any disciplinary history? For what type of conduct?
- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Whom can I talk to if I have concerns about how this person is treating me?

Where can I find additional information?

You can always ask your financial advisor for more information and request a copy of this relationship summary at (847) 866-7700.

The following documents can all be found in the Regulatory Reports section of our website:

- Form CRS <https://www.romanowealth.com/CRS>
- Best Interest disclosure for brokerage accounts <https://www.romanowealth.com/BI>
- Form ADV <https://www.romanowealth.com/ADV>
- Fee Disclosures <https://www.romanowealth.com/Fees>
- Conflict of Interest disclosure <https://www.romanowealth.com/COI>