

**Greenwich Wealth Management LLC®**

**Client Relationship Summary**

(CRD# 142820) May 31, 2020

**INTRODUCTION: “Is an Investment Advisory Account Right for You?”**

Our firm, Greenwich Wealth Management, LLC., (GWM) is registered as an investment adviser with the U.S. Securities and Exchange Commission. Brokerage and investment advisory services and fees differ, and it is important for you to understand these 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.

Greenwich Wealth Management offers both standard advisory services and a wrap fee program. Greenwich Wealth Management is the sponsor of a wrap fee program.

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. We are an investment adviser and provide advisory accounts and services rather than brokerage accounts and services. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information.

**RELATIONSHIPS AND SERVICES: “What Investment Services and advice can you provide me?”**

**Services:**

We offer investment advisory services to retail investors. These services include wealth management, which is a combination of financial planning and investment management. We work closely with you to identify your investment goals and objectives, as well as risk tolerance and financial situation in order to develop an investment approach.

**Accounts, Investments, and Monitoring:**

We provide services to individual, joint, retirement, trust and estate accounts, foundations, endowments, and charitable organizations. Investments primarily include stocks, bonds, mutual funds, exchange traded funds, closed end funds and options in constructing portfolios. As part of our services, we monitor portfolios and investments accounts on a regular and continuous basis. We also meet with you at least annually, or more frequently, depending on your needs.

GWM offers both standard advisory services and wrap fee services. In evaluating the Wrap Fee Program, you should consider a number of factors. You may be able to obtain some or all the same or similar investments and/or services available through this program or the brochure program offered through GWM. The fees charged for each service are provided below.

**Investment Authority:**

We provide our services on a perpetual and discretionary basis. We execute investment recommendations in accordance with your investment objectives without your prior approval for each specific transaction. Our engagement will continue until you notify us otherwise in writing. We also offer our services on a non-discretionary basis, which means we are required to obtain consent prior to executing trades. For clients with a non-discretionary relationship, the client is responsible for the ultimate decision regarding the purchase or sale of investments. However, buy and sell orders for non-discretionary clients may not be eligible for aggregation with other clients, which could result in differences in pricing and execution.

GWM offers a Wrap Fee program (“Program”) whereby the Firm manages Client accounts for a single fee that includes portfolio management services, custodial services and the transaction/commission costs. Under this Program, GWM offers discretionary investment advice designed to assist Clients in obtaining professional asset management for a convenient single “Wrap Fee.” The Investment Advisor Representative has the discretion to select Third Party Managers (SMA’s or Separately Managed Accounts) and or Sub-Advisors through the Schwab Market Place. The Investment advisor will charge a wrap fee for selection and ongoing review of managers and performance. Clients will have a separately managed account for each manager selected. The Third-Party Manager will charge a fee. The Third-Party Manager fee is charged per account as described in the agreement and ADV Brochure of each Separately Managed Account and both the Investment Advisor Fee and the Third-Party Manager Fee are covered under the Wrap Fee.

The Wrap Fee Program is a more costly program in terms of GWM Fees for the services offered than under the Client Brochure Program. However, GWM clients in the Client Brochure Program pay additional brokerage fees and costs beyond GWM’s Fee that a Wrap Fee Program client does not pay.

**Account Minimums & Other Requirements:**

We have a stated \$1,000,000 minimum account or relationship size minimum in order for you to open/maintain an account or establish a relationship. This minimum can be waived for a variety of reasons.

**Additional Information:**

For more detailed information on our relationships and services, please see Item 4 –Advisory Services, Item 13 –Review of Accounts and Item 7 –Types of Clients of our Form ADV Part 2A available via our firm’s Investment Adviser Public Disclosure Page.

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**FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT**

**CONVERSATION STARTERS:** “Given my financial situation, should I choose an 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?”

**Asset-Based Fees | Fee Structure:**

The annual fee for Portfolio Management Services will be based on a percentage of assets under management, according to the schedule(s) below:

Portfolio Value	Maximum Fee
≤ \$1,000,000	1.25%/year
≥ \$1,000,001 to \$5,000,000	1.00%/year
> \$5,000,000	0.90%/year

## **Wrap Fee Asset Management Program**

### **THIRD PARTY MANAGERS**

In this Asset Management Wrap Fee Account, the Firm manages Client accounts for a single fee that includes portfolio management services, custodial services and the transaction/commission costs. Under this Asset Management Wrap Fee Account, GWM offers discretionary investment advice designed to assist Clients in obtaining professional asset management for a convenient single “Wrap Fee.” The Investment Advisor Representative has discretion to select Third Party Managers through the Schwab Market Place. The Investment advisor will charge a wrap fee for selection and ongoing review of managers and performance. Advisory Clients will have a separately managed account for each manager selected. The Third-Party Manager will charge a fee. The Third-Party Manager fee is charged per account as described in the agreement and ADV Brochure of each Separately Managed Account and both the Investment Advisor Fee and the Third-Party Manager Fee are covered under the Wrap Fee.

In other words, this is a dual contract relationship. A dual contract in the context of an SEC-registered investment advisor (RIA) that sponsors a wrap fee program involves two separate agreements:

1. **Contract between the client and the RIA (Sponsor)**
2. **Contract between the client and the third-party asset manager:**

**Single Fee Structure:** The client pays one consolidated fee (the wrap fee), which covers the RIA's services and any transaction costs (e.g., brokerage fees). **Portion for RIA and Asset Manager:** The RIA, as the sponsor, retains a portion of the wrap fee for its services (such as program management and advisory). A portion of the wrap fee is also allocated to the third-party asset manager for their portfolio management services. This division of the fee is negotiated between the RIA and the third-party manager, and is often disclosed to the client.

### **Sub-Advisor Relationship/Use of Independent Managers**

Greenwich Wealth Management, LLC will recommend to Clients that all or a portion of their investment portfolio be implemented by utilizing one or more unaffiliated money managers or investment platforms (collectively “Independent Managers”). Independent Managers may be sourced directly or accessed through an investment management platform.

Greenwich Wealth Management, LLC serves as the Client’s primary advisor and relationship manager. However, the Independent Manager[s] will assume discretionary authority for the day-to-day investment management of those assets placed in their control. Greenwich Wealth Management, LLC performs initial and ongoing oversight and due diligence over each Independent Manager to ensure the strategy remains aligned with the Client’s investment objectives and overall best interest.

The Advisor will assist and advise the Client in establishing investment objectives for their account[s], the selection of the Independent Manager[s], and defining any restrictions on the account[s]. In other words, A *sub-adviser* is an asset management firm hired by an investment adviser to help identify, evaluate and manage investments within a portfolio. Sub-Advisors may also receive a portion of the fee depending on the strategy invested in.

The Wrap Fee Program fee is set forth in the following fee schedule.

CLIENT INITIALS: \_\_\_\_\_

Portfolio Value	Maximum Wrap Fee
≤ \$1,000,000	1.50%/year
≥ \$1,000,001 to \$5,000,000	1.25%/year
> \$5,000,000	1.00%/year

## GENERAL INFORMATION ON SERVICES AND FEES

In certain circumstances, fees may be negotiable. GWM may charge different clients receiving the same services different fees. The above are the firm's standard fee schedules.

Fees may be negotiable based on the amount of assets under management or the length or scope of the client relationship. The annual fee for portfolios will be determined on a sliding scale and based on the amount of assets under management and the level of client services. Depending on the custodial platform, either GWM or the custodian will calculate the advisory fee based on the value of the assets held in the client's account and the annual rate.

GWM generally uses Interactive Brokers, LLC (IB) as custodian for client assets. For clients who utilize IB the advisory fee will be calculated and deducted by Interactive Brokers based on the value of the assets held in the client's account at the end of each business day. The daily fee will be equal to the annual fee divided by the number of business days in the calendar year.

### Other Fees & Costs:

In addition to our advisory fee, you will also be responsible for custody fees, account administrative fees, fees and expenses related to mutual funds and exchange-traded funds, and applicable securities transaction fees. 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.

GWM offers a Wrap Fee program (“Program”) whereby the Firm manages Client accounts for a single fee that includes portfolio management services, custodial services and the transaction/commission costs. Under this Program, GWM offers discretionary investment advice designed to assist Clients in obtaining professional asset management for a convenient single “Wrap Fee.” The Investment Advisor Representative has the discretion to select Third Party Managers through the Schwab Market Place. The Investment advisor will charge a wrap fee for

selection and ongoing review of managers and performance. Clients will have a separately managed account for each manager selected. The Third-Party Manager and or Sub-Advisor will charge a fee. The Third-Party Manager fee is charged per account as described in the agreement and ADV Brochure of each Separately Managed Account and both the Investment Advisor Fee and the Third-Party Manager Fee are covered under the Wrap Fee.

**Conflicts of Interest:**

Greenwich Wealth Management is the sponsor of a wrap fee program. Because the wrap fee includes advisory and transaction costs, the firm might be incentivized to minimize trading to reduce expenses. Since the investment advisor representatives select third party managers from the Schwab Marketplace, and the fee for the Third-Party Manager is negotiated Greenwich Wealth Management nor its investment advisor representatives benefit from reduced trading costs.

Third Party Managers and the Sub-Advisors may have different costs. In other words, Third Party Managers can be more or less costly than Sub-Advisors. This potentially could be a conflict of interest for GWM and the IAR as one method could allow GWM and the IAR to make more than if utilizing the other method. GWM and the IAR mitigate this conflict with fiduciary responsibility and due diligence

**Standard of Conduct:**

We are held to a fiduciary standard that covers our entire investment advisory relationship with you. [For example, we are required to monitor your portfolio, investment strategy and investments on an ongoing basis.]

**INTERACTIVE BROKERS**

In addition to the advisory fee, client accounts at Interactive Brokers will pay a transaction charge to IB for each trade affected in their account. The exact cost of the transaction charge will be directly debited from the client's account by the custodian without a markup.

GWM does not receive commission from IB for client transactions

Transaction costs at IB are low by industry standards and typically less than one cent per share on US equities. Pricing for common asset classes is below. For a full detailed description of pricing and a list of charges for other investment products please visit

<https://www.interactivebrokers.com/en/index.php?f=1590&p=stocks2> and select the Tiered Pricing Structure Tab.

**SCHWAB**

In addition to the advisory fee, client accounts at Charles Schwab will pay a transaction charge to Charles Schwab for each trade affected in their account. The exact cost of the transaction charge will be directly debited from the client's account by the custodian without a markup. For more specific on fees and minimums please visit: <https://www.schwab.com/pricing#bcn-table--table-content-74561>

The more assets there are in a retail investor's account, the more the retail investor will pay in fees, and the IAR will therefore have an incentive to encourage the retail investor to increase the assets in his or her account. This is a conflict of interest.

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 Item 5. Fees and Compensation in the GWM Brochure and the GWM Investment management Client Agreement for additional information regarding the section above.

Under the program, GWM charges a single asset-based fee for advisory services, which includes the cost of portfolio management services, custodial services and the execution of securities transactions. Clients will be provided with a statement directly from the custodian at least quarterly reflecting deduction of the management fee. The client shall be responsible for non-routine transaction and custodial costs, including, but not limited to any internal fees and expenses in mutual funds and ETFs held in your account. Mutual funds and ETFs have internal management fees and ongoing expenses for operating the funds (internal fees and expenses) that are deducted from the fund's assets, which have the effect of reducing the fund's net asset value ("NAV"). The prospectus for each mutual fund and ETF will describe the internal fees and expenses and other fees not associated with implementation of the Advisor's investment process.

The Investment Advisor Representative has the discretion to select Third Party Managers and or Sub-Advisors through the Schwab Market Place. The Investment advisor will charge a wrap fee for selection and ongoing review of managers and performance. Clients will have a separately managed account for each manager selected. The Third-Party Manager and or Sub-Advisors will charge a fee. The Third-Party Manager and or Sub-Advisor fee is charged per account as described in the agreement and ADV Brochure of each Separately Managed Account and both the Investment Advisor Fee and the Third-Party Manager Fee or and or Sub-Advisor are covered under the Wrap Fee. The transaction costs are included in the Third-Party Manager fee and or Sub-Advisor. GWM and your advisor do not receive any additional fees beyond the Fees outlined above, which reduces the potential conflicts in recommendations made by both GWM and your financial advisor. Put another way, GWM and your financial advisor receive the same fee regardless of the security recommended or selected. Third Party Managers and the Sub-Advisors may have different costs. In other words, Third Party Managers can be more or less costly than Sub-Advisors. This potentially could be a conflict of interest for GWM and the IAR as one method could allow GWM and the IAR to make more than if utilizing the other method. GWM and the IAR mitigate this conflict with fiduciary responsibility and due diligence

**CONVERSATION STARTERS:** "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 acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?"

When we act as your investment adviser, we must 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 investment advice we provide. Here is an example to help you understand what this means:

We recommend that you open your account with a specific custodian, where we maintain an institutional relationship and may receive economic benefits. The receipt of economic benefits presents a conflict of interest and can influence our recommendation of the custodian to you. However, you ultimately decide where to open your accounts. Choosing a different custodian may result in the loss of quality of service and/or ability to obtain favorable prices.

**Additional Information:**

For more detailed information, please see Item 10 –Financial Industry Activities and Affiliations, Item 12 –Brokerage Practices and Item 14 –Client Referrals and Other Compensation of our Form ADV Part 2A available via our firm’s Investment Adviser Public Disclosure Page.

**CONVERSATION STARTERS: “How might your conflicts of interest affect me, and how will you address them? How do your financial professionals make money?”**

Our financial professionals are compensated for the revenue generated from the accounts they service directly. This means financial professionals have an incentive to increase the asset size in the relationship or solicit new business. GWM also receives a portion of these fees.

**DISCIPLINARY HISTORY: “Do you or your financial professionals have legal or disciplinary history?”**

Yes, Greenwich Wealth Management LLC has a disciplinary disclosure. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our IAR’s. To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC’s toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, investment account or a financial professional, contact us in writing at 45 East Putnam Avenue, SE 128, Greenwich, CT 06830.

**Additional Information:**

We encourage you to seek additional information. You can find additional information about our investment advisory services by viewing our Form ADV Part 2A available via our firm’s Investment Adviser Public Disclosure Page or by visiting [www.greenwichwealth.com](http://www.greenwichwealth.com). You can request up to date information and a copy of our client relationship summary by contacting us [sullivan@greenwichwealth.com](mailto:sullivan@greenwichwealth.com) or (203) 618-0103.

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

