



# Freedman Financial Associates, Inc. (Freedman Financial)

## Relationship Summary (Form CRS)

June 30, 2020

Freedman Financial (referred to as “we” or “us”) is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. This relationship summary will explain the various services we offer, how we charge for those

services, and conflicts of interest that exist when we provide our services. To help you research firms and financial professionals, you can access free and simple tools at [investor.gov/CRS](http://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

We offer investment advisory services to retail investors. We provide portfolio management services through a wrap program where we manage your investments after we work with you to understand your financial situation, goals, objectives and risk tolerance. We also provide financial planning services.

When managing accounts, we primarily use the following investment types; mutual funds, exchange traded funds, and individual equities and bonds. We monitor the performance of mutual fund and exchange traded fund holdings monthly and we monitor your account on the frequency you select – quarterly, semi-annually or annually. We will buy and sell securities on a discretionary basis in your account when we determine it is necessary. This means that we do not consult with you prior to buying or selling securities. You provide us with discretionary authority in our investment advisory agreement and this authority will remain in place until one of us terminates our

relationship. We have a \$350,000 household minimum for portfolio management, but we will waive this for relatives of existing clients.

*Additional information about our investment advisory services is available in our [Form ADV Part 2A Firm Brochure](#) (see Items 4 and 7) and in our [Form ADV Part 2A Appendix 1 Wrap Program Brochure](#) (see Items 4 and 5). If you are viewing a paper version of this form, please visit [www.FreedmanFinancial.com/disclosures](http://www.FreedmanFinancial.com/disclosures) for hyperlinks to these documents.*

### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- ⇒ 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 licenses, education and other qualifications? What do these qualifications mean?

## What fees will I pay?

We charge an asset-based fee that is a percentage of our account, including cash holdings. We charge advisory fees quarterly in advance, and you pay this fee regardless of whether there are transactions in your account. We have an incentive to increase the value of your account over time which will increase our fees over time.

You will not pay transaction charges when investments are bought or sold. Your account’s custodian charges transaction charges for certain investments; however, if there is a transaction charge, we will pay it for you. This means we have an incentive to select investments that do not have a transaction charge, or to avoid transactions or to place transactions less frequently when the investments have a transaction charge.

You will also incur, as applicable, charges imposed by the custodian or another third-party including, but not limited to: custodian fees; fees related to mutual funds and exchange-traded funds; and other transactional fees and product-level 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.

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### QUESTIONS TO 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?

# 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 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.

It is important for you to understand the difference between brokerage and investment advisory services and fees. In addition to offering investment advice through our firm, our financial professionals (referred to as “professionals”) are registered representatives of a broker-dealer. If the professional believes it is your best interest, he/she may offer securities and receive commissions when placing securities transactions separate from offering investment advice through us. This is a conflict of interest if the professional recommends that you invest in a security which results in a commission being paid to the professional.

There is a conflict of interest regarding rollovers if you are a participant in an employer-sponsored retirement plan and request help from us when deciding whether to liquidate and withdraw funds from your plan and rollover the proceeds into an IRA. A conflict exists because we will only be compensated if you rollover the proceeds into an account that we manage. Therefore, we have a financial incentive to recommend one option over another.

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#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

## How do your financial professionals make money?

Our revenue is derived from the advisory fees paid through client’s accounts on a quarterly basis. We pay our professionals a salary for servicing client accounts. They also receive a discretionary bonus based on the profitability and other work-related targets. Our professionals may also receive non-cash compensation from product sponsors such as: gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement for educational meetings or marketing or advertising initiatives. Marc

Freedman received financial support in the form of a five-year forgivable loan from the broker-dealer/custodian where he is a registered representative to assist in relocation and expansion efforts for our office. The loan will be forgiven if he remains registered with the broker-dealer. The receipt of the loan presents a conflict of interest as our professional has a financial incentive to recommend that you maintain your assets at the custodian for the loan to be forgiven.

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

No. You may visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

## Additional Information

You can find additional information about our investment advisory services on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching our CRD #128666.

You may also contact our firm at (978)-531-8108.

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

- ⇒ Who is my primary contact person?
- ⇒ Is he or she a representative of an investment adviser or a broker-dealer?
- ⇒ Who can I talk to if I have concerns about how this person is treating me?