

### Introduction

Empirical Financial Services, LLC d/b/a Empirical Wealth Management ('Empirical', 'we', 'us', 'our', or 'the firm') is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://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, among other client types. Our services are generally a combination of financial planning and investment management. Our financial planning services include investment review, asset allocation, tax planning, insurance and risk management, retirement planning, estate and gift planning, and consulting services. We review your financial circumstances, investment objectives, and risk tolerance to invest your assets. We typically utilize bonds, equities, ETFs, mutual funds, and alternative investments when building your portfolio. We monitor client portfolios and investments on an ongoing basis and provide periodic reports about the performance and holdings of your account as part of our standard service.

Our clients typically give us discretionary authority to make purchases or sales of investments without consulting the client in advance. This authority is subject to any reasonable account restrictions put in place by the client. If you give us non-discretionary authority, you must approve the purchase or sale of investments before we make any trades.

Empirical provides discretionary portfolio management services to a pooled investment vehicle, which is available for investment to Qualified Clients as defined by federal regulation.

We generally require a minimum of \$3,000,000 in assets under management but may waive this minimum at our discretion. Empirical sponsors and provides portfolio management services to a wrap fee program which is available to all clients.

***For additional information, please see Items 4, 7, 8, and 13 of our Form ADV Part 2A brochure (link below).***

### ***Conversation Starters. 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 your licenses, education and other qualifications? What do these qualifications mean?"*

### What fees will I pay?

Our fees are based on a percentage of assets under management. We assess our fees quarterly in arrears for most clients (a few clients choose to pay in advance). Accounts initiated or terminated during a calendar quarter are charged a prorated fee. The more assets you have in your account(s), including cash and margin, the more you will pay us in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account.

Clients enrolled in our wrap fee program will only pay Empirical a wrap fee that covers both Empirical's investment advisory services and Charles Schwab & Co., Inc. ("Schwab") brokerage services. Empirical has entered into an agreement with Schwab to pay Schwab fees for those services. Empirical's wrap fee program is sponsored solely by Empirical and not by Schwab. Schwab acts as a broker-dealer, and not an investment advisor with respect to our clients and does not exercise any discretion over or supervise our client accounts and has no responsibility to monitor Empirical's activity in our client accounts.

In some cases, we enter into performance-based fee arrangements with clients. We negotiate the terms of these arrangements on a case-by-case basis in the investment advisory agreement. We have implemented procedures designed so that all clients are treated fairly, and to prevent conflicts such as favoring higher fee-paying accounts over other accounts in the allocation of investment opportunities.

Our financial planning services are generally included in our advisory fee, but non-advisory clients can engage in stand-alone financial planning services and pay an additional hourly or fixed fee at the completion of the service.

In addition to our management fee, you will be responsible for other fees and expenses associated with investing your assets. This includes, but is not limited to, brokerage commissions and other transaction costs/fees charged by your unaffiliated custodian, and taxes. Some investments (such as mutual funds and exchange traded funds) impose additional 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.

***For additional information, please see Item 5 of our Form ADV Part 2A (link below).***

### ***Conversation Starter. 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 act in your best interest and do 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.

For insurance-related needs, we may refer you to our wholly-owned subsidiary, Empirical Insurance, LLC. We may also recommend Secure Legacy Law Group, P.C. for estate planning needs. Secure Legacy Law Group, P.C. is owned by a minority member of Empirical. We also offer real estate brokerage services through our subsidiary, Empirical Properties. You are never obligated to use these services, and comparable services may be available elsewhere for less cost.

We have a referral arrangement with an unaffiliated custodian, Charles Schwab, whereby we remit a portion of the referred clients' fees to Charles Schwab. Other than this agreement, we may recommend clients move managed assets to Charles Schwab, who may benefit from the assets through brokerage commissions and asset trading fees. We also receive certain benefits from the custodian we recommend to hold your account assets.

Empirical acts as the investment manager to a private fund. For more information, please review *Section 7.B.(1) Private Fund Reporting*, of Empirical's Form ADV Part 1.

**Conversation Starter.** *Ask your financial professional:*

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

**For additional information, please see Items 4, 5, 6, 10, and 11 of our Form ADV Part 2A (link below).**

How do your financial professionals make money?

We compensate our Firm's financial professionals based on salary and bonus or a share of the Firm's profits. A portion of that compensation is correlated to the amount of client assets they service, the revenue our Firm earns from the financial professional's services, and/or whether the financial professional has been successful in increasing client assets under the Firm's management. Some of Empirical's financial professionals provide separate services to clients through our subsidiaries or affiliate, and they receive compensation in relation to those entities' revenues and earnings, including a portion of commissions from insurance products sold. A conflict of interest exists that an employee could be motivated to increase assets irrespective of it being in the client's best interest; however, the firm's practice is to always act as a fiduciary when working with our clients.

**For additional information, please see Item 14 of our Form ADV Part 2A brochure (link below).**

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

No, neither we nor our financial professionals have a legal or disciplinary history. You can go to [Investor.gov/CRS](https://investor.gov/CRS) and use the free search tool to research our firm and our financial professionals.

**Conversation Starter.** *Ask your financial professional:*

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

**For additional information, please see Item 9 of our Form ADV Part 2A brochure (link below).**

Additional Information

**For additional information about our services**, see our Disclosure Brochure (Form ADV Part 2A) and Form ADV Part 1 brochure at <https://adviserinfo.sec.gov/firm/summary/152622>, as well as the Brochure Supplement (Form ADV Part 2B) and Investment Advisory Agreement your financial professional provides. You can reach us by email at [compliance@empirical.net](mailto:compliance@empirical.net) or by phone 800-923-4307 to request up-to-date information and a copy of this relationship summary.

**Conversation Starter.** *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?”*