

# MOSAIC ADVISORS RELATIONSHIP SUMMARY

MARCH 11, 2021

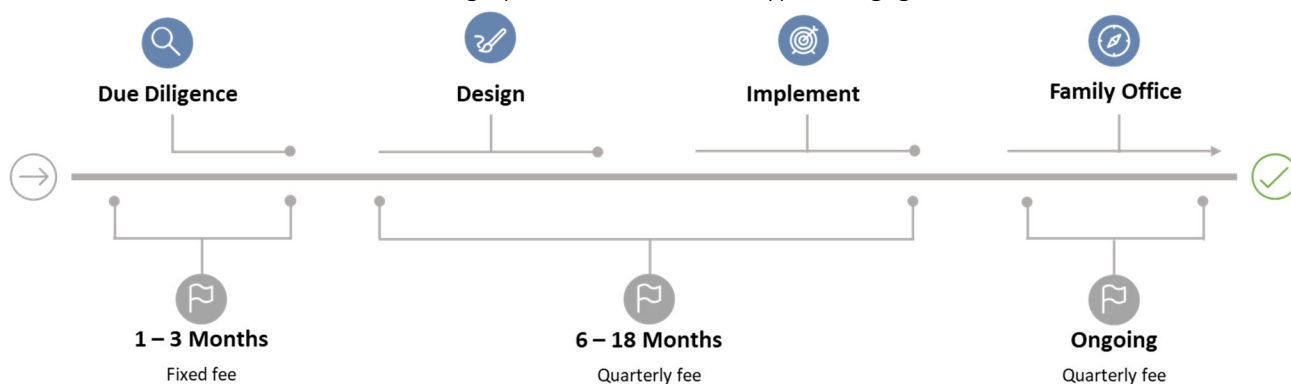


## Item 1. Introduction – Is an Investment Advisory Account Right for You?

Mosaic Advisors, LLC (“Mosaic”) is a Registered Investment Adviser with the Securities and Exchange Commission (SEC). 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.

## Item 2. Relationships & Services

**WHAT INVESTMENT SERVICES & ADVICE CAN YOU PROVIDE ME?** We offer planning and investment advisory services to retail investors. Our primary focus is to provide comprehensive advice to business owners and their families in exchange for a fixed fee. A typical engagement begins with “Due Diligence”, which entails the collection, review, and analysis of your personal / business financial, tax, and legal data. After Due Diligence, you may choose to move to the next phase, which we call “Design & Implementation”. During this phase, we design, fine tune, and stress test a comprehensive plan based upon your stated goals. Finally, our most comprehensive service is called “Family Office”, which is an ongoing arrangement that includes all our services. Below is an infographic that illustrates a typical engagement:



Mosaic also provides portfolio management and investment advisory services on a **discretionary basis**. When selecting securities, we observe the investment policies, limitations, and restrictions of the clients we advise. Additionally, in many cases, the discretion is subject to mutually agreed upon investment guidelines relative to your portfolio. We do not limit the scope of our investment advisory services to a limited group or type of investment. However, investment advisory services are typically only offered to clients who have previously engaged us for Due Diligence. Investment advice is provided on a continuing basis and includes the appropriate allocation of cash, stocks, bonds, mutual funds, ETF’s, and separate accounts. **For additional information**, please see Items 4 and 7 in our Form ADV, Part 2A brochure.

**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?*

## Item 3. Fees, Costs Conflicts, and Standard of Conduct

### **WHAT FEES WILL I PAY?**

Fee for Due Diligence, Design & Implementation, and Family Office are based upon complexity and are negotiable at our discretion. As a result, our clients could pay diverse fees. Each service is a stand-alone engagement and is offered on a fixed-

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fee basis, payable in advance. Due Diligence is typically offered as a one-time flat-fee engagement. Design & Implementation and Family Office are offered on a quarterly, fixed-fee basis.

Investment Advisory Fees are based on a percentage of assets under management. Based upon the billing platform selected, the advisory fee is payable either quarterly, in advance or in arrears. For accounts billed in arrears, the advisory fee will be a percentage of the average daily market value of all assets in the account during the respective billing period. With respect to accounts that are billed quarterly in advance, the advisory fee will be based upon a percentage of the value of all assets in the Account on the last business day of the previous quarter. In either case, the more billable assets there are in your account, the more you will pay in fees, therefore we may have the incentive to encourage you to increase the assets in your account. **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 in our Form ADV, Part 2A brochure.

**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 have to act in your best interest and not put our interest ahead of yours. At the same time, the way we earn fees 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 are some examples to help you understand what this means:

- We may recommend that a client purchase an insurance product, which could present a conflict of interest, as we may receive a commission. This could provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need.

**Conversation Starter.** 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?** All financial professionals at Mosaic are salaried employees and only receive cash compensation in the form of base salary and quarterly bonus, which is based upon overall firm profitability.

## **Item 4. Disciplinary History**

**DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?** Yes. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us 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 ABOUT OUR SERVICES,** please see our Form ADV Part 2A Brochure, which is available at our website [mosaicadvisors.com](http://mosaicadvisors.com). If you would like additional, up-to-date information or a copy of this disclosure, please call (713) 980-4100.

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

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