

MOSAIC ADVISORS RELATIONSHIP SUMMARY



April 28, 2023

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](https://www.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. Mosaic provides Strategic Advisory Services to entrepreneurial families worth more than \$100MM in exchange for a fixed fee. New engagements typically begin with clients engaging us to perform a comprehensive Gap Analysis that includes all aspects of your tax, legal, financial, and business “life” called Due Diligence. Once Mosaic has a thorough understanding of your current condition, along your stated objectives, Mosaic’s focus will transition to Plan Design, Implementation, and Maintenance. Below is an infographic that illustrates a typical engagement:



Mosaic also provides portfolio management and investment advisory services on a discretionary basis. When engaged on a discretionary basis, we shall have the authority, without prior consultation with you (unless you impose restrictions on our discretionary authority), to buy, sell, trade, and allocate the investments within your account(s) consistent with your investment objectives. Our authority over your accounts shall continue until our engagement is terminated. 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. We may be engaged to provide financial planning services on a separate fee basis. When we provide financial planning services, we rely upon the information provided by the client for our financial analysis and do not verify any such information while providing this service .

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?***

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

WHAT FEES WILL I PAY? All Strategic Advisory Services and the fees for these services are based upon complexity and are negotiable at our discretion. As a result, our clients could pay diverse fees. Typically, Strategic Advisory Services are offered on a quarterly, fixed-fee basis, payable in advance. Due Diligence could be offered as a stand-alone engagement as a one-time flat-fee engagement.

Investment Advisory Fees are based on a percentage of assets under management, typically from 0.20% to 1.00% annually. 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. Your investment assets will be held with a qualified custodian. Custodians generally charge brokerage commissions and/or transaction fees for effecting certain securities transactions. Relative to all mutual fund and exchange traded fund purchases, certain charges will be imposed at the fund level (e.g. management fees and other fund expenses). In addition, **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 a particular custodian to custody your assets, and we may receive support services and/or products from that same custodian, certain of which assist us to better monitor and service your account while a portion may be for the benefit of our firm.

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 bonus, which is based upon overall firm profitability.

Conversation Starter. Ask your financial professional -

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

Item 4. Disciplinary History

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY? Yes. Please visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

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?*

Item 5. Additional Information

FOR ADDITIONAL INFORMATION ABOUT OUR SERVICES, please see our Form ADV Part 2A Brochure, which is available at our website mosaicadvisors.com. If you would like additional, up-to-date information or a copy of this disclosure, please call (713) 980-4100.