

## Item 1 – Introduction

Evensky & Katz/Foldes Financial Wealth Management (“Evensky”, “we” or “us”), founded in 1985, is registered with the U.S. Securities Exchange Commission (“SEC”) as a registered investment adviser. Investment advisory services and compensation structures differ from that of a registered broker-dealer, and it is important that you understand the differences. You should carefully consider which types of accounts and services are right for you. Please ask us for more information.

Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS). The site also provides educational materials about broker-dealers, investment advisers and investing.

## Item 2 – Relationships and Services

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

We provide investment advisory services, including limited discretionary investment management and wealth management to individuals, trusts and estates (our “retail investors”). Our core offering is our Wealth Management service (financial planning-based retirement planning and investment management). We furnish investment advice through consultations and prepare an Investment Policy Summary for each client based on the client’s goals and risk tolerance. The minimum portfolio size for Wealth Management Services is \$1,000,000. This amount is negotiable under special circumstances. Additionally, we provide fee only, fiduciary investment consulting services to Plan Trustees and we serve as an ERISA investment fiduciary and advisor to ERISA plan fiduciaries and provide 403(b) investment services to 403(b) participants at selected universities. Our consulting Services shall include investment advisory review and recommendations regarding the client’s portfolio(s). We provide advice on an on-going basis based on the client’s needs. Account reviews are performed quarterly by one or more CFP practitioners. They are instructed to consider the client’s current security positions and the likelihood that the performance of combination of securities will contribute to the investment objectives of the client. Clients receive written quarterly updates delivered electronically or on paper according to their choice. We accept **limited discretionary authority** to manage securities accounts on behalf of clients. We have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, our trades are within the framework of the agreed upon client Investment Policy Statement. **Additional Information:** For more detailed information about our *Advisory Business* and the *Types of Clients* we generally service, please See Items 4 and 7, respectively in our [ADV Part 2A](#).

### 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?*

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

### What Fees will I pay?

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay. **All our fees are billed quarterly in advance.**

For Wealth Management Services and Investment Advisory Services we charge asset-based fees. Our fees are based on a percentage of the investable assets and will range from 0.25% to 1.25%. For 401(k), Pension and Profit Sharing Fiduciary Investment Services, our fee is based on a percentage of the investable assets and will range from 0.13% to 0.63%. The initial engagement fee for Wealth Management services is \$2,000 upon execution of the agreement and \$2,000 on the delivery of the Investment Policy. Consulting fees range from 0.15% to 0.35% depending on the unique nature of the engagement. The minimum annual consulting fee is \$20,000. Hourly Planning Engagements: Hourly planning services are available for clients who need advice on a limited scope of work. The hourly rate for this type of engagement ranges from \$200 to \$600. The asset-based fee paid to our firm does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account. Fees are negotiable under special circumstances. Further, we may charge a lesser investment advisory fee, waive or modify our asset minimum, charge a flat fee, or waive its

A copy of our Part 2A is available at: [https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=632840](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=632840)

fee entirely based upon certain criteria. As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account. You pay our fee quarterly even if we do not buy or sell in your account. **Other Fees and Costs:** Some investments impose additional fees that will reduce the value of your investments over time, such as mutual funds and variable annuities. Your account may also be charged for wire fees, overnight mailing fees, account closure fees, account transfer fees, mutual fund trade fees, alternative asset fees, and ETF exchange 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. For more detailed information about our fees and costs related to our management of your account, please See Item 5 in our [ADV Part 2A](#).

*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?**

When we act as your investment adviser, we have a fiduciary duty to act in your best interests 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:

\*We may recommend a particular custodian from whom we receive support services and/or products, certain of which assist us to better monitor and service your account.

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

**Additional Information:** We benefit from the advisory services we provide to you. We use Schwab, TD Ameritrade and Fidelity to custody the assets we manage for you. These brokerage firms provide services to us that include brokerage, custodial, administrative support, recordkeeping, and related services. These services are intended to support intermediaries like us in conducting business and in serving the best interests of our clients, but they also benefit our firm. For more detailed information about our conflicts of interest, please review our [ADV Part 2A](#).

#### **How do your financial professionals make money?**

Our financial professionals are compensated on a salary basis. Certain of our financial professionals, based upon their individual professional ability, may receive a discretionary bonus at year-end. Additionally, some advisers may receive a retention percentage based on assets under management. You should discuss your financial professional's compensation directly with your financial professional.

#### **Item 4 – Disciplinary History**

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

Yes. Mr. Joshua Mungavin was charged with a non-financial misdemeanor in the State of Texas while attending college. Details about his disciplinary history can be found on FINRA's BrokerCheck system, [www.finra.org/brokercheck](http://www.finra.org/brokercheck). We encourage you to visit [www.investor.gov/CRS](http://www.investor.gov/CRS) to research our firm and our financial professionals. Furthermore, we encourage you to ask your financial professional: *As a financial professional, do you have any disciplinary history? If so, for what type of conduct?*

#### **Item 5 – Additional Information**

Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may contact our Chief Compliance Officer, at any time to request a current copy of your ADV Part 2A or our *relationship summary*. Our CCO, Mena Bielow, may be reached by phone: (305)-448-8882, ext. 207 or email, [mbielow@evensky.com](mailto:mbielow@evensky.com).

*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?*

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