

## Form CRS Disclosure for Investment Advisers

30 June 2020

Coldstream Capital Management, Inc., doing business as "Coldstream Wealth Management," is an investment adviser registered with the U.S. Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ, and it is important for you, our client, to understand the differences. Additionally, 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. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

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

We offer the following investment advisory services to retail investors: portfolio management for individuals, investment companies, and pooled investment vehicles; risk management; financial planning, and selection of other (sub) advisers. For a description of each service listed above, refer to our Form ADV Part 2A disclosure by clicking the following link: <https://adviserinfo.sec.gov/firm/brochure/108805>. Refer to Items 4, 7, 13, and 16.

Account Monitoring. Your portfolio is managed on a regular and ongoing basis, based on your situation, risk tolerance, and investment objectives, including adhering to any investment restrictions imposed by you. We typically meet with you at least annually to review progress and your expectations for your portfolio.

Investment Authority. Coldstream usually manages accounts on a **discretionary** basis, meaning that without having to obtain your prior approval, we may execute specific purchase, sale, or other securities transactions, establish investment accounts and hire and fire selected asset investment manager(s) in sub-advised portfolios. With a **non-discretionary** account, we will offer advice and recommendations, but *you will ultimately decide* which investments to buy and sell for your account. You have an unrestricted right to decline to implement any advice provided by us on a non-discretionary basis.

At all times, you retain the authority to provide us with direction regarding investments, including limitations on the types of securities and the timing of transactions. You must provide investment guidelines and restrictions to us in writing; you are also free to change/amend these limitations at any time by subsequently writing to us.

Investment Offerings. We provide advice on various types of investments. Our services are not limited to a specific type of investment or product.

Account Minimums and Requirements. In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, our minimum relationship size is \$2 million, waivable at our discretion.

### Key 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 your licenses, education and other qualifications? What do these qualifications mean?*

### What fees will I pay?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A by clicking this link:

<https://adviserinfo.sec.gov/firm/brochure/108805>. Refer to Items 5 and 6.

- Asset Based Fees - Paid quarterly in advance based on the market value of the account on the last day of the prior quarter. Since the fees we receive are asset-based (*i.e.*, based on the value of your account), we have an incentive to increase your account value which creates a conflict;
- Hourly Fees and Fixed Fees - Payable in arrears as invoiced;
- Private Fund, Limited Partnership, and Sub-Advisor Fees - Fees associated with a Coldstream or Ascent private fund are assessed separately as per the agreement for each partnership/fund. We also may recommend that a portion of your assets be managed by non-affiliated, third-party sub-advisors. You will pay these 3<sup>rd</sup> party management fees in addition to what you pay Coldstream. Certain private funds may have performance fees.



- Clients also may pay additional fees and/or expenses. Examples of the most common fees and costs applicable to our clients are - Custodian fees; Account maintenance fees; Fees related to mutual funds and exchange-traded funds; Transaction charges when purchasing or selling securities; and Other product-level fees associated with your investments.

**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.**

#### Key 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.

Investment adviser representatives registered with our related broker-dealer entity, Coldstream Securities, Inc. ("CSI") can receive brokerage, 529 plan or mutual fund trail commissions, or annuity fees from the sale of securities through CSI. Insurance licensed Coldstream employees may also receive compensation for insurance products or services that are sold to clients through our insurance entity affiliates CHI Life Insurance ("CHILI") and Fit Insurance (property & casualty insurance) or third-party insurance providers. We also have several internally run proprietary products.

This presents a conflict of interest as it provides an incentive to recommend investment products based on the compensation to be received rather than on your needs. Additionally, we have revenue sharing referral relationships with custodians and other referral partners, which present incentives to work with certain parties.

For detailed information, refer to our Form ADV Part 2A by clicking this link:

<https://adviserinfo.sec.gov/firm/brochure/108805>. Refer to Items 5, 6, 10, and 14.

#### Key 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?**

The financial professional servicing your account(s) is compensated through salary and bonus. Financial professionals' compensation is based on the general revenue of the firm and the professional's experience in the field, as well as, for some roles, the amount of client assets they service.

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

No, our firm and our financial professionals currently do not have any legal or disciplinary history to disclose. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple research tool.

#### Key Questions to Ask Your Financial Professional

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

You can find additional information about our investment advisory services and request a copy of the relationship summary at 425.283.1600 or clicking this link: <https://adviserinfo.sec.gov/firm/brochure/108805>.

#### Key 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?*