



## Strategic Equity Management, Inc DBA SEM Wealth Management

Registered with the Securities and Exchange Commission as an Investment Adviser

We provide investment advisory services for which we receive a management fee based on assets under management. We (SEM) do not provide brokerage services. Brokerage and investment advisory services and fees differ and it is important you understand these 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?

SEM primarily provides investment advisory services to individuals, trusts, estates, and corporations or business entities. We provide investment supervisory services on a discretionary and non-discretionary basis. Primarily we provide discretionary advice which means we monitor your account on a daily, monthly, quarterly basis (depending on the investment models you select) and make investment changes as dictated by our investment model(s). Our investment models utilize mutual funds, ETF's and variable annuity subaccounts. Discretion means you have provided us the ability to make investment changes within your account when you sign our management agreement and we do not notify you prior to making each investment change. Non-Discretionary means you are notified prior to making any investment change - this means that you are making the ultimate investment allocation decision. Non-Discretionary advice is limited to a small menu of products. Our minimum account size is \$50,000. We also offer Financial Planning services to clients of SEM Investment Advisor Representatives. **Additional information** can be found in our Firm Brochure under "[Advisory Business](#)", "[Fees and Compensation](#)", and "[Types of Clients](#)".

### 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?*

## What fees will I pay?

Fees are based on a percentage of assets under management and investment program selection. Maximum annual fee charged by us is 2.25%. This fee includes your financial advisor's fee, which will be collected by SEM and sent to the advisor. The annual fee is invoiced in arrears on a quarterly basis. Adjustment is made to the fee basis to account for any additions or withdrawals made to the account during the quarter. Fees are flat, not layered (all assets at one fee level are charged the same rate). Clients with greater than \$250,000 assets under management qualify for breakpoints. Breakpoints offer a reduced fee at different asset levels. The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account. There are additional fees you will pay directly or indirectly. Directly the custodian holding the investments can charge fees. The most common are custodial fees, wire withdrawals, transferring assets out, and overnight check delivery. Indirectly the mutual fund investments and variable annuity accounts charge their own fees detailed in their prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee. Our Financial Planning service fees are charged as a one-time, hourly, or periodic structure.

*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. **Additional information** regarding fees is found in our Firm Brochure under "[Fees and Compensation](#)".*

### Conversation Starters

- *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 conflict 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. Here are some examples to help you understand what this means.*

Our employees may buy or sell securities that are also recommended to clients. This practice may create a situation where our employees are in a position to materially benefit from the sale or purchase of those securities. Employees are allowed to have outside investment accounts and employees may participate in our models. Employees are required to report transactions and holdings for non-exempt investments held outside of our investment models.

We may direct custodial transactions for your investment to custodians who provide technology, research, and execution services to us and, indirectly, to you. Custodians we select may be paid commissions for effecting transactions for our clients that exceed the amounts other custodians would have charged. When we use these commissions to obtain services, we receive a benefit to the extent that we do not have to produce such products internally or compensate third-parties with our own money for the delivery of such services. Therefore, such use of commissions results in a conflict of interest, because we have an incentive to direct your account to those who provide research and services we utilize, even if they do not offer the best price or commission rates for our clients. Our receipt of services does not diminish our duty to act in the best interests of our clients, including to seek best execution of trades for your account.

### Conversation Starters

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

Additional information regarding conflicts of interest are found in our Firm Brochure under "[Code of Ethics, Participation or Interest in Client Transactions and Personal Trading](#)", "[Brokerage Practices](#)", and "[Client Referrals and Other Compensation](#)".

## How do your financial professionals make money?

Our Financial Professionals are compensated with a salary based on industry standards or based on the client assets they service. Compensation is also generated by providing Financial Planning services. This means financial professionals have an incentive to increase the asset size in the relationship or solicit new business, taking time away from the day-to-day servicing of current clients. Our owners are compensated based on firm net income.

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

No. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

### Conversation Starters

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

Additional information about our investment advisory can be found at [Investor.gov/CRS](https://investor.gov/CRS) and our website at [semwealth.com](https://semwealth.com). Our Firm Brochure can be found at <https://files.semwealth.com/files/ADV-Part2.pdf>. Call 1-800-408-2423 to request up-to-date information and request a copy of this relationship summary.

### Conversation Starters

- *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?*