

# Form CRS: Client Relationship Summary



Beaumont Capital Management | June, 2020

## Item 1. Introduction

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Beaumont Capital Management, LLC (BCM) is an Investment Advisor registered with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ, and it is important for retail investors to understand the 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. We encourage you to ask us for more information. On Page 2, there are some suggested questions you can use to start a conversation with us.

## Item 2. Relationships and Services

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

BCM is an asset manager. We offer a variety of Exchange Traded Fund (ETF)-based growth strategies that also have defensive capabilities. For a full description of our strategies, please visit <https://investbcm.com>. BCM does not provide any other planning, tax, or advisory services. We do generally require a minimum account size of \$250,000. Account requirements are fully described in our contract with you. While BCM conducts business with many types of clients and arrangements, we will have a direct relationship with you. To determine an appropriate strategy for your needs, we will review your financial situation, goals and timelines.

The BCM strategies are monitored in several ways: For example, every day the Portfolio Management (PM) team reviews the performance of each ETF and the portfolios as a whole. The Investment Committee typically meets weekly to review the investment systems and recommended position changes, if any. Since each strategy is run consistently for all investors in that strategy, there is no individual account review. Statements and confirmations come to you directly through your custodian.

In order to manage your account, BCM requires that you give us full authority to trade in your account. When you sign an investment management agreement with us, you give us discretion to determine which ETFs to buy or sell, the quantity of ETFs to trade, and the timing of those trades. Your contract describes the strategic allocations and/or risk targets for each strategy in which you are invested. You may not place any “do not buy” restrictions on any ETFs or tailor your account, as this would defeat the viability of the strategy. As of February 29, 2020, BCM had ~\$2,396,800,000 in total assets under management and assets under advisement.

We must abide by certain laws and regulations in our interactions with you. We are held to a fiduciary standard that covers our entire investment advisory relationship with you. Our interests can conflict with your interests. We must either eliminate these conflicts or explain them to you in a way you can understand, so you can decide whether or not to agree to them.

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

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### “What fees will I pay?”

Our most common management fee is 0.5% or 50 bps, as described in our contract. Additional costs include the management fees of the ETFs and custodial money market, various custodial fees, and trading costs (bid-ask spreads). If an ETF “create shares or redeem shares” process is used, there may be commissions paid on the buy or sell of the underlying securities. Most custodians we work with now trade ETFs with no commissions. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the value of your investments over time. *Please make sure you understand what fees and costs you are paying. For additional information about fees, please refer to your contract with us and Item 5 of our [Firm Brochure](#), which is available at [investbcm.com](https://investbcm.com).*

BCM will deduct from your account our asset-based fee against the total value of your account, in advance, on a quarterly basis. BCM has no termination fee, so any unearned fee will be returned at termination. We require a five-day notice of termination to settle any outstanding trades. As a tactical manager, we tend to trade our strategies more frequently than managers with a buy and hold philosophy.

## **“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 advisor, we have a fiduciary duty 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. For example, asset-based fees will reduce the value of your account. If the value of your account goes up, we make more; if it declines, we make less. We therefore have incentive to increase the assets in your account in order to increase our fees. The fees that we receive differ depending on the channel, the size of the relationship, the strategy trade frequency, and the costs associated with researching and implementing each strategy. Additionally, we permit our employees to engage in personal securities transactions, which may result in them purchasing or selling the same securities as clients. Additional information about potential conflicts of interest is provided in Item 11 of our [Firm Brochure](#), available at [investbcm.com](http://investbcm.com). BCM has policies and procedures which are designed to mitigate conflicts of interest.

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

We are compensated based on the amount of client assets we service. The fee we receive varies depending on the strategy, the trading frequency of the strategy, and the costs associated with implementing each strategy. Our financial professionals are employees of the firm. In addition to salary, your sales representative will typically receive part of the advisory fee as part of their compensation. Others, including sales management, may also receive part of the management fee. The PM's are all partners of the firm and are compensated, in addition to salary, from the profits of the firm. Discretionary bonuses may also be paid to all personnel. BCM has a match to our 401k plan, and profit-sharing contributions may also occur.

## **Item 4. Disciplinary History**

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

No. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool you can use to research our firm and our [financial professionals](#).

## **Item 5. Additional Information**

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You can find additional information about our investment advisory services at: <https://investbcm.com>. Our disclosure brochure is available at the bottom of each page under “[ADV](#).” Please call 888-777-0535 to request current information and a copy of the relationship summary.

If you have any concerns about your investments, account, or investment professional, or about any of the information contained in this document, please contact Anne Archbald at [aarchbald@investbcm.com](mailto:aarchbald@investbcm.com). To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC at (800) 732-0330.

## **Some Key Questions to Ask Us:**

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- 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?
- 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 is invested for me?
- How might your conflicts of interest affect me, and how will you address them?
- As a financial professional, do you have any disciplinary history? For what type of conduct?
- 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?