

June 16, 2020

C. M. Bidwell & Associates, Ltd. Customer Relationship Summary

C. M. Bidwell & Associates, Ltd. (CMBA) is an independent investment advisory firm registered with the Security and Exchange Commission. The services and fees of an investment advisory firm generally differ from those of a brokerage firm and it is important for retail investors to fully understand the 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 advisors, and investing.

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

CMBA provides discretionary investment advisory services wherein CMBA selects individual investments and monitors them on an ongoing basis, providing quarterly reports to investors. CMBA also offers financial planning services. The extent of services provided, from investment management, to asset allocation, to more extensive financial planning depends on individual client needs and requests. Through discussion with the client, an appropriate investment allocation is determined and, in most cases, a representative benchmark index determined. Investments can then be selected in line with the benchmark index. Further information about our investment process can be found in our Form ADV, Part 2 brochure, Items 4, 8, and 13 filed on the [SEC website](#). CMBA does not have any pre-set account minimum size.

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 fees will I pay?”

CMBA Fees

CMBA charges an asset-based fee. Fees are charged quarterly in advance based on the level of assets under management at the end of the previous quarter. Fees for actively managed stock portfolios start at an annualized rate of 1% on the first \$5 million of assets under management. Fees for fixed income and fund management start at an annualized rate of 0.5% on the first \$5 million of assets under management. Fees are negotiable. CMBA will provide financial planning services on an hourly basis. The hourly rate for these services is set at \$175 per hour.

The necessity to charge fees and the manner in which they are charged results in a couple of possible conflicts with the best interest of the client. One, as fees are based on the level of assets under management there is an incentive for CMBA to encourage an investor to increase that level of assets. Two, as CMBA’s fees on actively managed stock portfolios is higher than fund management there is an incentive for CMBA to suggest stock portfolio management over fund management.

Other Fees

There are other fees that investor accounts will be subject to that are not paid to CMBA. These include custodial fees and fund management fees. CMBA does not take custody of client assets and the assets will thus need to be held at a brokerage or trust company. Brokerage and trust companies will charge fees for these services which may be based on the level of assets held and/or based on transaction activity. If client assets are managed in funds the fund companies that manage them will charge a fee against the assets in the fund that reduces the net returns of the fund.

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.

Additional information on our fees and other costs can be found in our Form ADV Part 2, Items 5, 6, and 12 filed on the [SEC website](#).

Conversation Starter - “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. Here are some examples to help you understand what this means.

- Increasing assets under management versus other tax and long-term strategies.
- Active management versus fund management.

These conflicts are further discussed in Item 5 of our Form ADV Part 2 filed on the [SEC website](#).

Conversation Starter - “How might your conflicts of interest affect me, and how will you address them?”

How do your financial professionals make money?

The financial professionals in the Hawaii office are paid a set salary. Annually, they may receive a year end payout based on the net earnings of the firm. The level of pay is not directly tied to the number of clients, level of service or any kind of sales commissions. One advisor, not based in Hawaii, is paid a smaller base salary but negotiated an arrangement wherein the advisor has obtained a separate group of clients and additional compensation is based on the revenue derived from those client accounts. A revenue sharing agreement was negotiated such that part of the revenues earned from this group of accounts is retained by the Hawaii office to cover general administrative expenses and the balance paid out to the adviser.

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

No. A search tool to research investment firms and financial professions can be found at Investor.gov/CRS.

Conversation Starter - “As a financial professional, do you have any disciplinary history? For what type of conduct?”

If you would like further information or would like to request the latest copy of this relationship summary or the Form ADV Part 2, you may contact us via email at cmba@bidwellassociates.net or by phone at (808) 595-1099. You may also contact us by regular mail at 20 Old Pali Place, Honolulu, HI 96817.

Conversation Starter – “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?”