

**HUTCHINSON CAPITAL MANAGEMENT CORPORATION (“HCM”)** is registered with the Securities and Exchange Commission as an investment adviser. We do not provide services as a broker-dealer. There are differences between investment advisers and broker-dealers, and it is important for you to understand them as you decide what kind of account is right for you. The SEC provides free and simple tools you can use to learn more about the differences between investment advisers and broker-dealers like <https://www.investor.gov/crs>. Questions you might consider asking us are noted (→) throughout this Summary.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

As an SEC registered investment adviser, HCM offers its investment advisory services to retail investors for an ongoing asset management fee based on the value of cash and investments in your account. Our advisory services include asset management and financial planning. If you open an account with our firm, we will meet with you to understand your current financial situation, goals, existing resources, and risk tolerance. Based on what we learn, we’ll recommend a portfolio of investments that is regularly monitored, rebalanced periodically, and adjusted to meet your changing needs, stated goals and objectives. Our minimum requirement for client portfolios is \$1 million.

Our accounts are managed on a discretionary basis which means we do not need to call you before buying or selling in your account. We have a fiduciary duty to act in your best interest at all times. Based on conversations with you, we establish an asset allocation policy spelled out in your Investment Policy Guidelines (IPG) and manage your portfolio in line with this policy. Your portfolio is tailored to your financial needs based on your risk tolerance, income requirements, and other factors including your relevant tax, estate planning, business, and family matters.

HCM has entered into a sub-advisory agreement with Dimensional Fund Advisors LP (“DFA”) whereby a client may request enrollment of all or a portion of their HCM advised account into a DFA sub-adviser account program. HCM selects an investment strategy on behalf of the client, and the client, through HCM, retains the ability to customize the investment strategy based upon environmental, social, governmental, religious or other preferences. HCM also has entered into a sub-advisory relationship with SpiderRock Holdings, LLC, who manages equity options for clients who are interested in using the platform for risk management purposes.

Click [here](#) to see our Form ADV Part 2A, Items 4, 7 & 8.

*Ask your financial professional...*

- *Given my financial situation, should I choose an investment advisor 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?

HCM is compensated based upon a percentage of assets under management. Typically, investment management fees are paid in advance in quarterly installments at the beginning of each calendar quarter. Assets under management are valued at the close of the market on the last day of the preceding quarter. Our incentive is to increase the value of your account over time which will increase our fees over time. The quarterly fees will be automatically deducted from your account. If you elect to participate in the DFA LP and/or SpiderRock Holdings sub-advised account programs, you will pay an additional management fee to those firms for their sub-advisory services. We charge on an hourly or flat fee basis for financial planning services, which may be stand-alone services. The fee that we charged will be based on the scope of the engagement. Our hourly fee is \$350. Flat fees range from \$3,000 to \$5,000.

The broker-dealer (custodian) that holds your assets can charge you a transaction fee when we buy or sell an investment for you. The broker-dealer’s transaction fees are in addition to our fee for our investment advisory service. If charged, these are paid to your custodian directly. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.



click [here](#) to see our Form ADV Part 2A, Item 5.

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 & WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we act as your investment adviser, we must act in your best interest and not put our interests 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. We have adopted a code of ethics to govern our provision of services.

Here are examples to help you understand what this means:

- We charge fees for our services and the more assets there are in your account, the more you pay to us in fees. We therefore have an incentive to encourage you to increase the assets in your account.
- We may recommend that you rollover a 401k retirement account to an IRA account managed by our Firm because this would increase the amount of assets under our management.
- We may advise you to invest in stocks, bonds and/or mutual funds rather than non-managed assets because the investments increase the amount of assets under management.
- We advise you to custody your investment accounts with Charles Schwab because it provides us with essential trading, reporting, compliance, education and back office services and investment research.
- Our employees personally invest in the same, or different securities based upon their personal financial situations and their investments may perform as well as, better or worse than our client's investments.

Ask your financial professional...

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

For more information, click [here](#) to see our Form ADV Part 2A, Items 11, 14 & 17 regarding potential conflicts of interest.

## **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Financial professionals earn annual salaries and, in most years, year-end cash bonuses.

## **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No. We recommend that you visit <https://www.investor.gov> and <https://www.investor.gov/crs> for a free and simple search tools to research HCM and our financial professionals.

Ask your financial professional...

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

## **WE ENCOURAGE YOU TO SEEK OUT ADDITIONAL INFORMATION.**

Visit <https://www.investor.gov/> for helpful educational materials to learn more about investing. For additional information on our advisory services, fees, conflicts and personnel, see our Form ADV Parts 1 and 2 on <https://www.adviserinfo.sec.gov/>.

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?

If you have any concerns or questions, or to obtain copies of our Form ADV Part 2 or Form CRS, visit [www.hutchinsoncapital.com](http://www.hutchinsoncapital.com) or contact us at 415-464-5650.