



Verde Capital Management, Inc.
Form ADV Part 3 - Client Relationship Summary

01/29/2023

Item 1: Introduction

VERDE CAPITAL MANAGEMENT, INC. is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. This document gives you a summary of the types of services and fees we offer. Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing. It is important for retail investors to know the difference between the fees charged for brokerage services, and investment advisory services.

Item 2: Relationships and Services

Questions to ask us: 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 investment services and advice can you provide me? Our firm primarily offers the following investment advisory services to retail clients: portfolio management via a Wrap Fee or Income Based Fee Program (we review your portfolio, investment strategy, and investments); and/or financial planning (we assess your financial situation and provide advice to meet your goals). As part of our standard services, we typically monitor client accounts on a weekly basis. Our firm has discretionary management without any material limitations. We do *not* limit the types of investments that we recommend. Our firm does *not* have a minimum account size. Please also see our Form ADV Part 2A ("[Brochure](#)"), specifically Items 4 & 7.

Item 3: Fees, Costs, Conflicts, and Standard of Conduct

Questions to ask us: 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? How might your conflicts of interest affect me, and how will you address them?

What fees will I pay? Our fees vary depending on the services you receive. Our fixed fee arrangements are based on the amount of work we expect to perform for you, so material changes in that amount of work will affect the advisory fee we quote you. We have a Wrap Fee Program, and an Income Based Fee Program. Our Wrap Fee Program is a fixed percentage, charged monthly, in arrears, based on your average daily account balance, per the custodian where your accounts are held. We have an incentive to increase the assets we manage for you in order to increase our fee, the more assets you have with us the higher our advisory fee under the Wrap Fee Program. However, if your account balance goes down with a market downturn or activity, our fees also go down. Clients in the Wrap Fee Program also receive a price break on the fixed percentage charged as their portfolio at Verde achieves certain asset levels. Our Income Based Fee Program is paid monthly and is based on your annual income which is evaluated on an annual basis.

You pay our fees even if you do not have any transactions and the advisory fee paid to us generally does not vary based on the type of investments selected. Please also see Items 4, 5, 6, 7 & 8 of our [Brochure](#).

Third Party Costs: Some investments (e.g., mutual funds, variable annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. You will not pay transaction fees to our custodians (TD Ameritrade, Schwab, or TradePMR) under either our Income Based Fee or Wrap Fee Program (for our Wrap Fee Program, this means our advisory fee is higher than if you paid transaction fees separately). You may pay transaction fees for held away assets, like your 401(K), which are not absorbed by Verde under either fee program. **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.** Please also see our [Brochure](#) for additional details.

Conflicts of Interest: *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: we recommend clients use either Schwab or TD Ameritrade as we are on their institutional platforms and receive certain benefits from both. These benefits are outlined in Item 14 of our [Brochure](#).

How do your financial professionals make money? Primarily, we and our financial professionals benefit from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. Our Investment Advisors receive compensation based on a percentage of the advisory fees charged to the clients they manage. Our Service Advisors receive a base salary plus compensation based on a percentage of the advisory fees charged to the clients they work with. Our Operations Team receives a base salary and bonuses based on the attainment of specific performance metrics. Please also see Item 10 of our [Brochure](#) for additional details.

Item 4: Disciplinary History

Questions to ask us: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Do you or your financial professionals have legal or disciplinary history? We do not have legal and disciplinary events. Visit <https://www.investor.gov/> for a free, simple search tool to research us and our financial professionals.

Item 5: Additional Information

Questions to ask us: *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?*

Your primary contact person is your Investment Advisor at Verde Capital Management. All Verde team members are representatives of an RIA and are not affiliated with a broker-dealer. If you have concerns about how your advisor is treating you, please contact Carl Szasz (President & CCO) at 248.528.1870 or carlszasz@verdecap.com. For additional information on our advisory services, **see our [Brochure](#) available at <https://adviserinfo.sec.gov/firm/summary/147179> and any individual brochure supplement** your representative provides. If you have any questions, need additional up-to-date, or want another copy of this Client Relationship Summary, then please contact us at 248-528-1870.

