



Toth Financial Advisory Corporation (Toth Financial) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. We provide advisory services rather than brokerage accounts and services. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

This document gives you a summary of the types of services we provide and how you pay. Please contact us for more information.

### **What investment services and advice can you provide me?**

Toth Financial provides customized investment management services on a discretionary and non-discretionary basis to clients investing a minimum of \$1,000,000. We retain the discretion to waive the account minimum.

Non-discretionary client accounts require prior approval from you regarding the purchase or sale of your investments. By granting us investment discretion, we are authorized to invest, sell, and reinvest proceeds in your accounts without obtaining your prior confirmation of any proposed action.

Investment recommendations made by Toth Financial are limited to U.S. publicly traded marketplaces. The only limitations on the investment authority are those limitations imposed by you in writing. Account supervision is guided by your stated objectives (i.e., growth, growth and income, etc.), and all managed accounts are maintained with an independent custodian. Our portfolio strategy focuses on the selection of investments that we believe are most appropriate to the various phases of the U.S. economy. Assets are generally invested in the common stock of companies that have grown their net earnings at a compound rate of at least 10% per year. This allows us to take a “buy and hold” approach that minimizes portfolio turnover.

While your investments and accounts are monitored on an ongoing basis, scheduled comprehensive portfolio reviews of your portfolio are conducted on a quarterly basis.

#### **Conversation Starters for your Financial Professional**

- 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 for the management of portfolios using individual stocks with Annual Reporting are calculated on a tiered scale ranging from 1.3% per annum for Brokerage and Held Away Assets Under Management (AUM) below \$1,000,000, down to 0.4% per annum for AUM over \$100,000,000. Donor Advised Funds (DAFs) managed by Toth Financial will be included in AUM and are charged a fee based on the tiered schedule to a maximum of 1.0% per annum.

529 Plans, Limited Partnerships, DAFs managed by Charles Schwab, and Fixed Annuities are charged at a fixed annual rate of 0.10%. 401(k) plans authorizing discretion are charged at a fixed annual rate between 0.65% and 0.75% per annum based on the number of plan participants.

Although the rate is lower for higher levels of AUM, the more assets that are in your account, the more you will pay in fees. The firm may therefore have an incentive to encourage you to increase assets in your account.

For additional information, please see Item 5 on pages 4-5 of our Form ADV Part 2A brochure: TFAC Form ADV Part 2A and 2B

Advisory fees charged by us are separate and distinct from fees and expenses charged by mutual funds which may be recommended to you. A description of these fees and expenses are available in each fund's prospectus. Additionally, the fees we charge are exclusive of all custodial and transaction costs paid to custodians, brokers or any other third parties. You should review all fees charged by us, custodians and brokers, and others (including but not limited to third-party sub advisers) to fully understand the total amount of fees incurred.



#### Conversation Starters for 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? What conflicts of interest do you have?

When Toth Financial acts as your investment adviser, we are obligated to act in your best interest and not put our interest ahead of yours. We have adopted a Code of Ethics (the "Code") to establish policies addressing our fiduciary duties to you. This Code prohibits fraudulent or manipulative practices in connection with your investments.

At the same time, the way we make money may create 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, several of our Investment Advisor Representatives (IARs) are also licensed insurance agents. These activities are paid on a commission basis. You are under no obligation, contractual or otherwise, to engage Toth Financial IARs as insurance agents. For additional information, please see page 10 of our ADV Part 2A brochure: TFAC Form ADV Part 2A and 2B.

Toth Financial also serves as the general partner to a private pooled investment vehicle, the Toth Growth & Income Fund, LP (the "Fund"). Offers to invest in the Fund may be made only by means of the private placement memorandum and only to the person to whom such memorandum is delivered. For detailed information about the Fund, please see pages 3 and 6-8 of our Form ADV Part 2A brochure: TFAC Form ADV Part 2A and 2B

#### Conversation Starters for your Financial Professional

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

#### How do your financial professionals make money?

Toth Financial IARs are paid a salary at the discretion of the Toth Financial Board of Directors. IARs for Toth Financial do not earn commission.

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

No, we do not have any legal or disciplinary history within the last 10 years. Please visit <https://www.investor.gov/CRS> for a free and simple tool to research us and our IARs.

#### Conversation Starters for your Financial Professional

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

#### Additional Information

For additional information regarding our fees, services, and conflicts, please see our Part 1 and Part 2A of Form ADV or visit our website at [www.tothfinancial.com](http://www.tothfinancial.com). If you would like additional, up-to-date information or a copy of this client relationship summary, please call us at (703) 443-8684.

#### Conversation Starters for 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?