

Item 1. Introduction

Fortitude Financial, LLC (“Fortitude,” “we,” “us,” and “our”) is a Washington limited liability company registered as an investment advisor with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important that you understand the differences. Please note that free and simple tools are available to research advisory and brokerage firms and their associated financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

Item 2. Relationships and Services**What investment services and advice can you provide me?**

We offer portfolio management services that are uniquely tailored to your financial circumstances and needs. These services are provided primarily, if not exclusively, through our Fortitude Wrap Fee Program and may also include limited financial planning and consulting services. Financial planning and consulting services are also offered on a stand-alone basis. Tax-related services are offered through our affiliate, Fortitude Tax, LLC (“Fortitude Tax”).

Our portfolio management services include a review of your unique financial circumstances and the design, implementation, and ongoing management of your investment accounts. We will directly invest the assets deposited to your account at the custodian in an investment strategy and portfolio that is designed to comport with your investment objectives and suitability. We typically implement the recommended investment strategy through the use of model investment portfolios that have been designed by our firm to meet with specific investment objectives and risk tolerances. We will monitor your account regularly, making changes to your holdings as we believe to be appropriate and in your best interests, acting in accordance with our fiduciary duty to you. You will be required to enter into a discretionary management arrangement that allows us to buy and sell investments within your account without obtaining your consent prior to each transaction. You may impose reasonable restrictions on our ability to invest in certain securities or types of securities within your account. We will review your account at least annually to ensure the composition of your portfolio comports with your investment objectives, needs, and restrictions.

In addition to our discretionary management of your investment accounts, portfolio management clients who place at least \$200,000 under our management also receive an annual time-limited block of financial planning and consulting services intended to assist with the management of their overall financial affairs. The nature of these additional services is determined by the client’s specific needs and requests for financial planning and consulting advice and may include delivery of a written financial plan or shorter report or checklist detailing our observations and recommendations for achieving the client’s financial goals. You will make all ultimate investment decisions and be responsible for the implementation and monitoring of all investments that are “held away” from the accounts we manage directly on your behalf.

We also offer financial planning and consulting as a stand-alone service tailored to your unique financial circumstances and affairs. We will review your financial situation and assets, risk profile, investment time horizon, and investment goals and provide you with our recommendations regarding the financial topics or transactions

for which we are engaged. Our recommendations will take the form of either a written financial plan or a shorter written report or checklist as appropriate for the scope of the engagement. The written financial plan, report or checklist we deliver to the client is not updated or reviewed following its initial delivery, unless specifically agreed. Additional fees will apply. You make the ultimate investment decisions and are responsible for the implementation and monitoring of your investments under this service.

Tax consulting and preparation services (collectively, “Tax Services”) are offered through Fortitude Tax for separate fees. These services include preparation of tax returns and/or consulting regarding the client’s unique tax circumstances. The client may elect to add these optional services to any of our other offerings under a separate Tax Services agreement. Additional fees will apply. You are never obligated to engage our affiliate for these additional services.

We advise our clients regarding investments in mutual funds, exchange traded funds (“ETFs”), real estate investment trusts (“REITs”), individual stocks and bonds, U.S. government and municipal securities, variable products (life insurance and annuities), cash and cash equivalents. We generally require a minimum opening account size of \$250,000 to open a portfolio management relationship. We may waive this minimum in our sole discretion on a per-client basis. *More detailed information about our advisory services and account minimums is contained in our Form ADV Part 2A “firm brochure” at Items 4 and 7 and our Form ADV Part 2A Appendix “wrap brochure” at Item 4.*

Conversation Starter: Ask us the following key questions:

- (i) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (ii) *How will you choose investments to recommend to me?*
- (iii) *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

Item 3. Fees, Costs, Conflicts, and Standard of Conduct**What fees will I pay?**

We charge a bundled or “wrap fee” for portfolio management services that covers the costs of our investment advice, together with most administrative, custodial, and trade execution costs and fees associated with your account. The wrap fee is based on a tiered fee schedule with annual fees that vary from 0.50% to 1.50% per year of the market value of the assets you place under our management (*i.e.*, an asset-based fee). These fees are charged to you quarterly, in advance, and will be calculated based on the value of your account (inclusive of any cash balances) as of the last day of the prior billing period as determined by the custodian. They are pro-rated for any partial billing periods (based on the number of days in the period during which services are provided) and any mid-period capital inflows or outflows (based on the date of deposit or withdrawal) to or from your account. Our absorption of the administrative, custodial, and execution costs of managing your account within our wrap fee creates certain conflicts of interest which you should consider in determining whether a wrap fee arrangement is right for you. We typically do not offer unbundled fee arrangements for portfolio management services.

Our wrap fee does not cover the costs of internal management fees and other costs associated with investment in any mutual funds,

ETFs, REITs, and other pooled investment vehicles; wire/stock transfer fees; and any taxes associated with the transactions/holdings contained in your account. You may further incur charges imposed by custodians, brokers, and third-party managers or other third parties that we do not control. These charges can include such things as deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other similar charges or taxes. Our wrap fees also do not cover the costs of any Tax Services or stand-alone financial planning services you may request. Where asset-based fees apply, you should consider that the more assets you have in your account, the more you will pay us, thus creating an incentive for us to encourage you to increase and/or maintain the level of assets in your account.

We charge hourly fees at a maximum rate of \$400/hour for stand-alone financial planning and consulting services or \$250/hour for Tax Services. The specific hourly rate applicable to your financial planning engagement will be set forth in a written advisory agreement and may be charged in full at inception. Additional hours of financial planning services will be charged in arrears at the agreed upon rate and are payable in full upon completion of engagement. Fees for Tax Services are invoiced directly to you either monthly or quarterly in arrears and are payable to Fortitude Tax within thirty (30) days of invoicing, unless otherwise agreed.

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. *More detailed information about our advisory fees is contained in our firm brochure at Item 5 and our wrap brochure at Item 4.*

Conversation Starter: Ask us the following key question: “*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 advisor? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment advisor, 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:*

Example 1: The value of your asset-based advisory fee account goes up, and while the annual percentage we charge may stay the same, the total compensation you pay us goes up proportionately.

Example 2: Your account value goes down, but you still must pay us an asset-based advisory fee proportional to your assets under management.

Some of our financial professionals are dually registered representatives of LPL Financial, LLC (“LPL”), an independent SEC registered broker-dealer and investment advisor firm. Clients can enter into a separate commission-based arrangement with such individuals (but not Fortitude directly) and LPL for securities brokerage services (a “Brokerage Arrangement”). Under this

arrangement, these financial professionals, acting in their capacity as registered representatives of LPL, may receive commissions, ongoing distribution fees (*i.e.*, trails), and other compensation based on sales of securities to clients. Investments made through a Brokerage Relationship may be separate from the advisory services we provide to you, and therefore, our firm does not have a fiduciary duty over such Brokerage Relationship recommendations. Certain of our financial professionals are also independently licensed to sell insurance in one or more states and may receive commissions or fees in connection with the sale of insurance products to clients. Investment advisory fees are separate and distinct from insurance or brokerage commissions or fees earned by our financial professionals. The receipt of insurance or brokerage related commissions or fees creates a conflict of interest with clients. We will only transact securities and insurance business with clients when fully disclosed, suitable, and appropriate. You may use any insurance or brokerage firm, agent, or registered representative you choose. The common ownership of Fortitude and Fortitude Tax means that a client’s decision to engage our affiliate for Tax Services will result in additional compensation to our shared personnel. Clients are never obligated to engage Fortitude Tax for any services and may utilize the services of any provider of their choice.

More detailed information related to conflicts of interest is contained in our firm brochure at Items 5, 12, and 14 and our wrap brochure at Items 4 and 9.

Conversation Starter: Ask us the following key question: “*How might your conflicts of interest affect me, and how will you address them?*”

How do your financial professionals make money?

Our financial professionals are compensated with annual salaries and/or discretionary bonuses. *More detailed information about our conflicts of interest is contained in our firm brochure at Item 5 and our wrap brochure at Items 4 and 9.*

Item 4. Disciplinary History

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

Yes. We encourage you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

Conversation Starter: Ask us the following key question: “*As a financial professional, do you have any disciplinary history? For what type of conduct?*”

Item 5. Additional Information

You can find additional information regarding our firm, including our firm brochure and this client relationship summary at the following link: <https://adviserinfo.sec.gov/firm/summary/313235>. You can also obtain a copy of this relationship summary by visiting our website at www.fortitudefinancial.com or by contacting us by telephone at (509) 931-1199. We will be pleased to answer any of your questions.

Conversation Starter: If you have any concerns, please let us know by asking the following questions: “*Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*”

SUMMARY OF MATERIAL CHANGES

This Client Relationship Summary reflects the following material changes from the immediately prior version dated August 2, 2021:

- This Client Relationship Summary has been updated to reflect that our advisory fees for stand-alone financial planning services are now payable in advance, in whole or in part. Previous versions of this Client Relationship Summary indicated that these fees were charged wholly in arrears. Please see Item 3 for more information.
- This Client Relationship Summary has been updated to disclose that tax preparation and consulting services are now provided through the firm's related person, Fortitude Tax, LLC. The referral of advisory clients to our affiliate for these additional services creates a conflict of interest. Please see Item 2 and Item 3 for more information.