

Resource 1, Inc.
Client Relationship Summary
February 16, 2023

Introduction

Resource 1, Inc. (Resource 1) is a Registered Investment Adviser, registered with the Securities and Exchange Commission and notice filed in several states. Our services include managed account services and wrap programs. There are significant differences between the services you receive and the fees you pay depending on the type of firm you choose to handle your investments. It is important for you to understand these differences. Free and simple tools are available to clients to research firms and financial professionals at <https://investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisors, and investing.

What Services Can Your Provide Me?**Conversation Starters**

Ask your financial professional: Given my financial situation, should I choose a brokerage service or an investment advisory service, or both types of services? How will you choose investments to recommend to me? What is your relevant experience, including licenses, education and other qualifications? What do these qualifications mean?

Resource 1's advisory services are offered through separately managed account strategies within wrap fee programs and individually managed portfolios using strategic or dynamic strategies. We offer investment management on a discretionary basis, meaning we select the investments for you without prior notice to you and on a non-discretionary basis, meaning you are involved in and approve the investments selected for your account. It's important for you to know that other advisory firms provide similar or additional services at a lower cost. We generally utilize mutual funds and ETFs in the managed accounts. Each of these products have internal expenses (management fees and operational expenses), which is an annual fee expressed as a percentage of the investment. Many funds have multiple share classes with varying expense ratios.

We monitor our managed accounts on an on-going basis and make changes to your account when circumstances or needs change. We have a minimum account size of \$50,000.

Another option available to investors is to open a brokerage account with a broker-dealer. In these accounts, you may select investments or the broker-dealer may recommend investments for your account, but the ultimate decision for your investment strategy and the purchase and sale of investments will be yours. Broker-dealers are also required to act in your best interest, but you will pay a transaction-based fee, generally referred to as a commission, when the broker-dealer buys or sells an investment for you. You can receive advice in either type of account; however, you should know that Resource 1 can offer only asset-based fee accounts. All our Resource 1 financial professionals are also financial professionals of our broker-dealer, Ceros Financial Services, Inc. (Ceros) and may offer you a brokerage account through their registration with Ceros. Long term buy and hold strategies are typically less expensive when implemented through Brokerage Services as opposed to Advisory Services.

Qualified Plan Services

Qualified Plans can receive either brokerage services or advisory services to the plan trustees and education services to their plan participants. Qualified Plan services are paid through the platform where the plan is custodied. Resource 1 has no discretionary authority on these plans, cannot affect any trades, move any money or authorize withdrawals or deposits. Resource 1 receives level fees on plan assets regardless of the underlying investment choices.

What are your legal obligations to me?

When you open a separately managed account with Resource 1 or through our wrap program, we are held to a fiduciary standard that means we must put your interests ahead of our own. If our interest conflicts with your interests, we must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them.

Do you or your financial professionals have disciplinary history?

Resource 1 has no disciplinary history. Your financial professional's individual disciplinary history (even if clear) is provided with this document for your review. We also recommend that you visit <https://investor.gov/CRS> the SEC's free and simple resource to learn more about the differences between types of investment services firms and to research Resource 1 and your financial professional.

What Fees will I pay?

Conversation Starters

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 of that will go to fees and how much will be invested?

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. When you open a separately managed account through Resource1 or our wrap program, you will not pay transaction charges each time the advisor trades within your account. However, you will pay a quarterly fee based on the asset value of your account. We reserve the right to negotiate our fees, which may be higher or lower than those described in the Resource 1 Brochure. Whether or not we negotiate fees, the fees we will charge you will be set forth in your investment advisory agreement. We may also waive fees, at our discretion.

How else does your firm make money and what conflicts of interest do you have?

Conversation Starter

Ask your financial professional:

What types of conflicts of interest do you have and how might they affect me?

As you work with your financial professional, you should understand how we are compensated. Various forms of compensation may create potential conflicts of interest, and it is important for you to evaluate potential conflicts of interest in making investment decisions.

Resource 1 earns compensation based on the assets we manage. We charge an advisory fee (as outlined in the Resource 1 Advisory Services Agreement) on a quarterly basis.

The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if there is no activity in your account. As an example, we have an inherent conflict of interest when recommending you roll-over a 401(k) or other retirement plan account to our firm. There may be features or benefits within your retirement plan that are not available through an individual retirement account with our firm. You should consult with your plan administrator prior to making any decisions to roll-over your account.

Ceros Financial Services, Inc. (Ceros), our broker-dealer, receives compensation referred to as revenue sharing. Revenue sharing refers to an arrangement in which the company sponsor of the investment product shares some of the revenue it received from your investment with Ceros. You should be aware of the practice as it could influence us to choose investments/products that generate this income for our broker-dealer.

How do your financial professionals make money?

Our financial professionals earn a portion of the advisory fees we charge on your assets. The more assets you have in the advisory account, including cash, the more you will pay us and in turn, the more your financial professional will earn. Your financial professional therefore has an incentive to increase the assets in your account in order to increase our fees.

Additional information?

For additional information about our advisory services, please refer to our Form ADV Part 2A brochure and our individual Form ADV Part 2B brochure supplements available at <https://adviserinfo.sec.gov/firm/brochere/130825>. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please contact us at (757) 616-0600.

Conversation Starters

Ask your financial professional: 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?

Your primary point of contact is your Investment Advisor with Resource 1. Should he or she be unavailable, you may ask for either Michelle Hoesly or Matthew Hoesly. Both are Investment Advisor Reps of Resource 1 as well as registered representatives of Ceros Financial Services, Inc. If you have a concern about your advisor, please contact Michelle Hoesly at 757-616-0600.