

## Introduction

Wallington Asset Management, LLC, founded in 1988, is an Indianapolis-based investment adviser registered with the Securities and Exchange Commission. Investment advisory services and fees vary widely between firms and differ from traditional brokerage services and fees. It is important for retail investors to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

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

**Wallington Asset Management offers investment advisory services to high net worth retail investors, institutions, corporations, foundations and retirement plans. Our retail relationship begins by meeting to understand your goals and objectives. We then discuss and agree on which of our investment services, listed below, meet your needs prior to reaching consensus on an asset allocation benchmark based upon your risk and return profile.**

Our “Asset Management” service utilizes primarily individual securities such as common stocks and fixed income investments and generally has a required minimum account size of \$1,000,000. Our “Capital Advisory” service utilizes primarily mutual funds or exchange traded funds and generally has no required minimum account size. With either service, as part of our standard services, investments are actively analyzed, selected, and monitored for retention or replacement. Portfolios are managed for effective diversification and risk-adjusted return parameters which takes into consideration multiple factors including, but not limited to, volatility, risk exposure relative to client specific benchmarks, quality of management, and fees and expenses if applicable.

As part of either service, portfolio reviews will be performed no less frequently than quarterly to assess alignment with your agreed-upon asset allocation benchmark. Adjustments to investments in your portfolio will be made on a discretionary basis, which means we do not call prior to executing investment transactions in your account. We will require a signed agreement granting us this limited authority at the commencement of our relationship.

We also offer other services such as investment consulting, financial planning, and qualified retirement plan consulting. We do not offer proprietary products and are not restricted as to products or types of investments utilized.

Additional information about our advisory services is located in Item 4 of our Firm Brochure (Form ADV, Part 2A) which is available online at [wallingtonasset.com/disclaimer.html](https://wallingtonasset.com/disclaimer.html)

***Conversation Starters: Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments for my portfolio? What is your relevant experience including your licenses education and other qualifications? What do these qualifications mean?***

## What fees will I pay?

Our fee for investment management services is calculated as a per annum percentage of your assets under management and will not exceed 1.00% for Asset Management services, 0.60% for Capital Advisory services, and 0.40% for Qualified Retirement Plan Consulting services, unless certain minimum asset conditions are not met. Wallington Asset Management no longer offers a Wrap Fee Program to new clients (current clients fees are calculated at a maximum 1.25% subject to \$1,000,000 minimum). Fees are tiered, billed quarterly in advance, and may be debited directly from the account (preferred) or paid by check. 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. Cost effectiveness is one of the four key principles espoused by Wallington.

Investment consulting services and financial planning services may be billed using an hourly rate ranging from \$75 to \$350/hour, based on the value of assets identified for inclusion in the service, or a fixed fee. Your method of billing will be agreed upon prior to signing any agreement. Financial planning fixed fees typically range from \$3,000 to \$10,000.

The broker-dealer (custodian) that holds your assets may charge you a transaction fee when we buy or sell an investment for you. The broker-dealer's transaction fees, if any, are in addition to our advisory fee for our investment advisory service. You could also pay charges imposed by the broker-dealer holding your accounts for certain investments and for maintaining your account. Some investments, such as mutual funds and exchange traded funds, charge additional fees that will reduce the value of your investments over time, which reinforces why cost effectiveness is a key factor in our investment selection process for you.

Additional information about our fees is located in Item 5 of our Firm Brochure (Form ADV Part 2A). Our Firm Brochure is available online at [wallingtonasset.com/disclaimer.html](http://wallingtonasset.com/disclaimer.html)

*Conversation Starters: Help me understand how these fees and costs might affect my investments? If I give you \$1,000,000 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 serve as your investment adviser, we are bound by a fiduciary standard of care to serve in your best interest and not put our interest ahead of yours. Our firm's revenue is derived only from advisory, consulting, and financial planning fees paid by clients. With our "fee for assets" based advisory fee structure, while we make more money when you make more money or when you entrust us with additional assets to manage, we do not share in commissions or any other fees. Therefore, the way we generate revenue does not create conflicts with your interests. Our firm may directly compensate third-party professionals (solicitors) for referring a client to us. A solicitor may have a financial incentive, therefore, to recommend our firm to a client for advisory services.

Additional information about conflicts of interest is located in Item 14 of our Firm Brochure (Form ADV Part 2A). Our Firm Brochure is available online at [wallingtonasset.com/disclaimer.html](http://wallingtonasset.com/disclaimer.html)

*Conversation Starters: Are there conflicts of interests that might affect me, and how will you address them?*

**How do your professionals make money?**

Our financial professionals are paid in accordance with the duties they provide to the firm along with the services they provide to our clients. They may be partially compensated for the time and complexity required to meet a client's needs or based upon assets under management of the clients served.

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

No. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

*Conversation Starters: As a financial professional, do you have any disciplinary history? For what type of conduct?*

**Additional Information**

You can find additional information about our firm's investment advisory services on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov) by searching CRD #143360. You may also contact our firm through our company website at [wallingtonasset.com](http://wallingtonasset.com) or give our firm a call at (317) 575-8670 to speak to an investment professional or support staff.

*Conversation Starters: 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?*

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