

## Form ADV Part 3 – Client Relationship Summary

Date: 03/31/2021

### Item 1: Introduction

SPECTRUM FINANCIAL ALLIANCE is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. Brokerage and investment advisory services, standard of care, and fees differ, and it is important that you understand the differences. This document gives you a summary of the types of services and fees we offer. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

### Item 2: Relationship 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, (we review your portfolio, investment strategy, and investments); financial planning (we assess your financial situation and provide advice to meet your goals); risk management analysis, tax and estate planning reviews. As part of our standard services, we typically monitor client accounts on a daily basis. Our firm offers discretionary advisory services (where our firm makes the decision regarding the purchase or sale of investments). We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio. We do not impose a minimum account size. Please also see our Form ADV Part 2A (“[Brochure](#)”), specifically Items 4 & 7.

### Item 3: Fees, Costs, Conflicts, and Standards 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? 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 level of assets we manage. Annual fees range from 1.5%, on smaller accounts, to 0.75%, on accounts over \$5,000,000. Additionally, the more assets you have in your advisory account, the lower the fee percentage you will pay us. We have an incentive to increase the value of your assets by selection of higher expected return investments in order to increase our income and that could represent a conflict of interest. This conflict is offset by our in-depth risk analysis, comprehensive client profiling, our fiduciary duty, and code of ethics. Portfolio management fees are paid in arrears based on the average daily balance of your account in the previous month. You pay our fees even if you do not incur 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](#). Some investments (e.g., mutual funds, variable annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the returns of these type of investments over time. For this reason,

as well as other performance and tax related concerns, our firm does not typically utilize mutual funds, variable annuities, or any non-fee transparent product.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs reduce returns 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.

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?: When we act as your investment adviser, we have a fiduciary responsibility to act in your best interest and never put our interest ahead of yours. We have no conflicts of interest as we are beholden to no one outside of our firm and receive compensation only from assets under management. You should understand and ask us about conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means (see heading immediately below).

How do your financial professionals make money? Primarily, we and our financial professionals receive cash compensation from the fees we receive from you. This compensation is solely from the agreed upon fee-based on assets under management. Our firm collects no commissions, will not accept 12b-1 fees, and does not utilize any investment product that has an upfront sales charge or back-end load. This could be a conflict in that, generally, the more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and the firm may then have an incentive to encourage the retail investor to increase the assets in his, or her, account. 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 financial legal or financial 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?*

Any of our investment advisors can assist you. For additional information on our advisory services, see our Brochure available at <https://adviserinfo.sec.gov/firm/summary/125147> and any individual brochure supplement you are provided. If you have any questions, need additional up-to-date information, or want another copy of this Client Relationship Summary, then please contact us at 859-223-6333. If you have concerns pertaining to any of our associates, please contact either Jacob Buckley, Operations Manager, or C. Kelly Buckley, Managing Principal/Chief Compliance Officer.

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### **Exhibit A – Material Changes to Client Relationship Summary**

There are no material changes.