



Form ADV Part 2A Disclosure Brochure

This Disclosure Brochure provides information about the qualifications and business practices of The Strategic Financial Alliance, Inc. ("SFA"). If you have any questions about the contents of this Brochure, please contact us at 678.954.4000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

SFA is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about SFA (CRD #126514) is available on the SEC's website at www.adviserinfo.sec.gov.

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March 29, 2019

ITEM 2 – MATERIAL CHANGES

The Strategic Financial Alliance, Inc. (“SFA”) Part 2A Disclosure Brochure and Part 2A Appendix 1 Strategic Choice Program Wrap Brochure (collectively, “Brochure”) include the following material changes since the last annual update on March 28, 2018.

There are no material changes in the current brochure dated March 29, 2019

Annual Update

We will provide you a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business fiscal year (December 31). We may provide other ongoing disclosure information about material changes as necessary.

Brochure Availability

We will provide our most current Brochure upon request at any time, without charge. Our Brochure may be requested by contacting our Chief Compliance Officer at (678) 954-4000. Our Brochure is also available on our website at www.thesfa.net.

Additional information about SFA (CRD #126514) and its Advisory Representatives is available on the SEC’s web site at www.adviserinfo.sec.gov.

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ITEM 4 – ADVISORY BUSINESS

DESCRIPTION OF BUSINESS, PRINCIPALS, AND TYPES OF SERVICES

The Strategic Financial Alliance, Inc. (“SFA”) is a registered broker-dealer with the Financial Industry Regulatory Authority (“FINRA”), and is also an Investment Adviser registered with the Securities and Exchange Commission (“SEC”). SFA is an Atlanta-based, Georgia corporation, formed in 2003, and a wholly-owned subsidiary of SFA Holdings, Inc. Clive Slovin is the President and CEO.

SFA has worked to build a strong reputation within the Financial Services Industry through its independent model and commitment to service. Through its network of independent Advisory Representatives, SFA offers a range of advisory services as described below, including:

- Portfolio Management Programs
- Selection of and Referral to Third Party Asset Management Programs
- Financial Planning
- Financial Consulting
- Lectures and Seminars

As of December 31, 2018, SFA managed assets valued at approximately \$501.5 million, of which approximately \$88.1 million were managed on a discretionary basis and \$413.4 million were managed on a non-discretionary basis.

Additionally, as of December 31, 2018, SFA had approximately \$505.1 million in assets under advisement, which represents the assets referred to third-party asset managers by SFA, as described on Page 3 under “Third Party Asset Managers.”

PORTFOLIO MANAGEMENT PROGRAMS

Through its two portfolio management programs, SFA offers a customized approach to implementing individualized investment strategies designed with the goal of meeting your investment objectives through asset allocation, portfolio design, portfolio monitoring, and consolidated reporting.

In order to participate in the portfolio management programs, Advisory Representatives must be properly registered, have at least five years of experience in the financial services industry (or equivalent experience, as determined by SFA) and be approved by SFA to offer the programs.

You may select an all-inclusive program (“wrap fee program”) in which the asset-based fee includes our advisory fee as well as transaction costs. Alternatively, you may choose a program in which you pay transaction fees in addition to our asset-based advisory fee. The amount of your advisory fee is negotiated with your Advisory Representative, based on the program’s published fee schedule.

STRATEGIC CHOICE PROGRAM

Your Advisory Representative is the portfolio manager for your Account(s). SFA will also serve as the introducing broker-dealer to introduce transactions for your Account. Pershing LLC will maintain physical custody of your assets and is responsible for trade execution, billing and reporting. Portfolios may include stocks, bonds, ETFs, mutual funds, and certain illiquid, alternative securities (for suitable investors).

The *Strategic Choice Program*, including fees and expenses, is more fully described in *ADV Part 2A Appendix 1 The Strategic Choice Program Brochure*, which is available upon request.

C-SHARE MUTUAL FUND MANAGEMENT PROGRAM

When you own C-Share Class mutual funds, a 1% annual fee is deducted from your mutual fund account. In the C-Share Mutual Fund Management Program, your Advisory Representative will recommend the purchase, sell and/or reallocation of C-share class mutual funds, monitor your designated C-Share holdings based on your stated objectives and risk tolerance. Your Advisory Representative will no less than annually review your account with you.

SFA, as a registered broker/dealer, will receive the 1% annual fee from the mutual fund company (ies). SFA designates these fees as payment for the advisory services listed above. Other share class mutual funds are available that offer a breakpoint for large purchases which may result in a lower cost to you, as disclosed in the C-Share Program Agreement. However, if you purchase other share classes, those funds would not be included in this Program and would not receive the services of your Advisory Representative under this program.

If you terminate the C-Share Program Agreement, SFA will continue to receive fees as “broker of record” until such time as you liquidate the funds or move the account to another firm.

CO-ADVISORY PROGRAMS

Through our co-advisory relationships with certain third-party managers, your Advisory Representative will assist you in choosing suitable strategists or model portfolios which will manage your account in a manner consistent with your stated financial objectives, risk tolerance and investment horizon. Your Advisory Representative will review your account and make recommendations for changes to the selected strategist(s) as warranted. Your Advisory Representative will monitor your account and its performance, meet with you periodically and may recommend changing managers based on your needs and objectives. Co-Advisory Programs include the following. Additional programs may be made available from time to time.

FTJ FUNDCHOICE™ PROGRAM

Wrap fee programs through FTJ FundChoice™, LLC (FTJFC) offers model portfolios of mutual funds and ETFs. These may be offered on an all-inclusive wrap fee or non-wrap basis. Your account(s) will be custodied at TD Ameritrade.

This program is more fully described, including fees and expenses, in the FTJ *FundChoice™ Program Disclosure Brochure*, which is available upon request, or may be accessed at www.sec.gov.

LWI FINANCIAL, INC. (LORING WARD)

Loring Ward offers portfolios of mutual funds and a retirement account platform. Loring Ward's services, including fees and expenses, are described in its ADV Part 2A Disclosure, also available upon request and at www.sec.gov. You may select among various financial institutions (e.g., Schwab, Fidelity) to maintain physical custody of your account(s).

MANAGER SELECTION PROGRAMS

The manager selection programs are wrap (inclusive) and non-wrap (non-inclusive) programs sponsored by third party investment advisers. The program sponsor evaluates other independent investment advisers and selects investment advisers to participate as portfolio managers in the programs. Your Advisory Representative will serve in a co-advisory role, assisting you in reviewing the participating portfolio managers and selecting one or more to manage your account(s) in a manner consistent with your objectives. The selected portfolio manager or managers will, typically, exercise discretionary authority in the account. SFA and your Advisory Representative will not have discretionary authority over the assets in accounts participating in these programs. Your Advisory Representative will monitor your account and its performance, meet with you periodically and may recommend changing managers based on your needs and objectives.

Manager selection programs include:

- Lockwood Managed Account Advisor Program, and
- AssetMark Investment Services programs (formerly, Genworth Financial).

These programs, including managers, fees and expenses, are more fully described in the respective ADV Part 2A and Appendix 1 Disclosure Brochures, which will be provided to you prior to entering into an advisory agreement. These Brochures are also available upon request.

THIRD-PARTY ASSET MANAGERS – SOLICITOR ARRANGEMENTS

SFA and certain of its Advisory Representatives act as solicitors for third-party asset managers ("TPAMs"). Your Advisory Representative will recommend a TPAM whose management style and strategies are consistent with your objectives and financial profile. You will enter into an advisory agreement with the TPAM. SFA nor your Advisory Representative will exercise discretion or make investment choices or recommendations in the account. These programs may include asset allocation models, model portfolios, market timing strategies, or other strategies for mutual funds and variable annuity sub-accounts.

In a solicitor's arrangement, SFA through your Advisory Representative typically gathers information about your financial situation, investment objectives, and reasonable restrictions you

wish imposed upon the management of your account; periodically reviews reports provided to you; contacts you at least annually to update your financial information and review the account, its performance, and the services of the TPAM. Your Advisory Representative also communicates changes in your information to the TPAM as warranted. It is important to notify your Advisory Representative of any changes in your financial situation, investment objectives, or account restrictions.

You will receive the TPAM's Disclosure Brochure and a Solicitor's Disclosure Statement, which will describe the relationship between TPAM and SFA, and the solicitor's fee paid to SFA.

FINANCIAL PLANNING AND FINANCIAL CONSULTING SERVICES

Financial Planning

Your Advisory Representative will work with you to prepare (1) a comprehensive, written financial plan designed to help you achieve your financial goals and investment objectives, or (2) a plan limited in scope to a particular area. Preparation of a plan requires that you provide your Advisory Representative with personal data such as family records, employment records, budgeting, assets, liabilities, estate information, and tax information. Financial planning is a process that may address any or all of the following topics as you may request:

- asset protection
- tax planning
- business succession
- cash flow
- education planning
- estate planning
- multi-generational planning
- insurance planning
- asset allocation
- risk management
- retirement planning
- wealth transfer
- charitable gifting
- long-term care and disability planning

Should you choose to implement the recommendations promulgated in your financial plan, we encourage you to work closely with your attorney, accountant, insurance agent, and other professional advisors.

Although you may choose to implement the recommendations made in your financial plan through your Advisory Representative in his or her capacity as a registered representative or licensed insurance agent, you are free to employ the services of any advisor, registered representative, or insurance agent of your choice, regardless of whether or not that person is associated with SFA.

Financial Consulting

We offer investment consulting services that are limited to the specific areas you identify. These services are not considered financial planning services because we will not perform a

comprehensive analysis of your financial position and will not prepare a written report documenting our review.

The consulting services our Advisory Representatives provide may include (but are not limited to):

- Assisting you in the preparation of an investment policy statement;
- Reviewing and recommending changes to an existing investment policy statement (or similar guidelines, policies, and/or investment allocation that you are employing);
- Reviewing existing contracts you have with service providers, such as managers and consultants, and making recommendations for changes;
- Assisting you in renegotiating the fees you pay to service providers and/or assisting you in conducting a search for new service providers;
- Analyzing the performance of your current investment manager;
- Advising you regarding the manner in which your investment account is being managed and, at your request, assisting you in searching for a new investment manager;
- Advising you on the purchase and sale of particular individual investments;
- Monitoring your transaction costs; and,
- Monitoring compliance by your investment managers with your investment policy statement.

SFA does not offer legal or tax advice. An Advisory Representative may present the tax aspects of certain investments or strategies in general terms but does not provide specific tax advice. We recommend that all tax questions or strategies should be discussed with your tax professional.

Regardless of the services you choose, we strongly encourage you to notify your Advisory Representative promptly if there are any changes in your personal circumstances, financial situation, investment objectives, or risk tolerances.

LECTURES AND SEMINARS

SFA sponsors lectures, seminars, or speeches of an educational and generic nature. A broad range of topics may be included in each seminar including, but not limited to, asset allocation, retirement planning, risk, tax planning, long-term care and estate planning.

CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS

Your Advisory Representative develops and recommends a strategy based on the information you provide about your financial profile using his or her knowledge and experience. It is very important that you communicate changes in your information so your Advisory Representative can make recommendations and manage your account in a manner that is consistent with your objectives, risk tolerance and time horizon. You may impose reasonable restrictions on the manner in which your account is managed, such as limiting investments in certain types of securities or asset classes, in accordance with your values or beliefs.

ITEM 5 – FEES AND COMPENSATION

PORTFOLIO MANAGEMENT FEES AND COMPENSATION

The Strategic Choice Program (“the Program”) offers two fee structures:

- All-Inclusive (“wrap”) account in which the asset-based fee includes our advisory fee and transactions fees; or
- Non-Inclusive account in which the transaction fees are assessed separately from the asset-based advisory fee.

For complete fee details for the Program, please see the *Appendix 1 Strategic Choice Program Brochure*.

C-SHARE MUTUAL FUND MANAGEMENT PROGRAM FEES AND COMPENSATION

Advisory services in this program are paid for by the 1% annual fee assessed by the respective mutual fund company and paid to SFA. In the event that you terminate the investment advisory agreement with SFA, SFA will continue to receive fees as “broker of record” until such time as you transfer the account to another firm.

CO-ADVISORY PROGRAMS

The fees, expenses and termination provisions and refund of fees for FTJ FUNDCHOICE™ are described in its ADV 2A and Appendix 1 Disclosure Brochures. The program accesses a tiered administration fee ranging from a high of 0.45% to 0.08%; strategist fees from 0.10% - 0.20%; trading and custody fees for the ETF strategies, 0.10-0.20%; and an annual account maintenance fee, \$25 or \$50.00. The account maintenance fee may be waived for certain accounts. SFA will charge an advisory fee in addition to the fees listed above. The total fees charged to you may not exceed 2.0%.

The fees, expenses, termination provisions and refund of fees for Lockwood Managed Account, AssetMark Investment Services, and Loring Ward programs are fully described in their respective ADV 2A and Appendix 1 Disclosure Brochures. These brochures are available upon request, and will also be provided to you prior to your entering an advisory agreement for any of these programs.

Account minimums will vary by program and will be described in the respective disclosure brochures.

Should you decide to participate in one of these programs, SFA and your Advisory Representative will receive a portion of the advisory fee charged to your account. Amount of the fee payable to SFA is negotiable.

THIRD-PARTY ASSET MANAGER FEES AND COMPENSATION

Fees may be negotiated within limits set by the third-party asset manager. Fees generally range from 10 basis points to 250 basis points annually, depending upon the program selected, the size of the account and the services covered. Under some programs, an inclusive fee covers account management, brokerage, clearance, custody, and administrative services. In other programs, the account may be charged separately for such services.

The amount of the fees, services provided, payment structure, termination provisions and other aspects of each program are detailed and disclosed in the third-party asset manager's Form ADV Part 2 and Appendix 1 wrap fee program disclosure brochures. SFA and your Advisory Representative will share in a portion of the fee charged by the third-party manager. The amount of this portion varies program by program and is disclosed in the Solicitor's Disclosure Statement provided to you.

If mutual funds or variable annuities are used in these programs, the fees mentioned above are in addition to the internal management fees and expenses paid by the mutual funds or variable annuity companies to their separate investment advisors. In addition, variable annuity companies generally impose mortality charges on such accounts. Fees are payable in advance or in arrears as described in the third-party money manager's form ADV client and wrap fee brochures.

FINANCIAL PLANNING AND CONSULTATION FEES AND COMPENSATION

Advisory Representatives may charge a fixed or hourly fee for financial planning and consultations. Fees are negotiated with each client depending on the complexity of the situation, the services provided and experience of the representative. The fee charged generally does not exceed a flat fee of \$10,000, an hourly rate of \$500 per hour, or an annual management fee of 2% of asset value. Due to the complexity of some financial plans and consulting arrangements, a higher fee may be negotiated. Up to one half of the agreed upon fee may be billed in advance, with the remainder due upon delivery of the planning/consulting, but not more than six months in advance of delivery of the plan or consultation, in accordance with your Financial Planning or Consulting Agreement.

You may terminate the planning/consulting agreement without penalty within five business days after signing the agreement. Thereafter, you may terminate the planning or consulting agreement upon written notice. If the agreement is terminated by the client, SFA will not refund any portion of the fee; however, SFA reserves the right, at its sole discretion, to refund any or all of the fee paid in individual circumstances.

If you choose to implement your financial plan or any recommendations through your Advisory Representative in his or her capacity as a registered representative of SFA or a licensed insurance agent, he or she may receive additional compensation in the form of sales commissions and 12b-1 fees.

LECTURE AND SEMINAR FEES AND COMPENSATION

SFA may charge attendees a fee for attending such lectures and seminars. Fees for seminars are paid to SFA or to a billing agent designated on the application form. Fees are negotiable at the sole discretion of SFA. Fees are due at or prior to attendance unless otherwise specified and are not refundable.

ADDITIONAL FEES, COMPENSATION AND EXPENSES

SFA's fees for non-inclusive accounts are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred. You may incur certain charges imposed by custodians, brokers, third party asset managers and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, termination fees for qualified plans and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, variable annuities and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to SFA's advisory fee.

If you purchase illiquid alternative investments in your managed accounts at public offering price, your Advisory Representative will earn a commission in his or her capacity as a Registered Representative of SFA, as described in the product offering memorandum or prospectus. These investments will be excluded from billing in your account.

The advisory fees paid for Financial Planning and Consulting services do not include the costs associated with implementing any recommendations.

NEGOTIATION OF FEES AND COMPENSATION

Fees are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, your relationship with SFA and your Advisory Representative, the size of the Account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage your Account. Please note that the same or similar services to those described above may be available elsewhere to you at a lower cost. Your Advisory Representative may negotiate a fee that is more or less than fees negotiated by other SFA Advisory Representatives for similar services.

POTENTIAL CONFLICTS OF INTEREST

Pershing LLC, our clearing firm, shares a portion of fees earned on money market balances with SFA and such fees may be passed, in whole or in part, to Advisory Representatives. Although these fees are nominal, they could pose an incentive to retain assets in money market accounts.

Transactions in Strategic Choice Program accounts incur a transaction fee, which is paid to SFA to offset the costs Pershing, LLC assesses to SFA. In the inclusive program, the transaction fee is paid by the respective Advisory Representative. In the non-inclusive program, the transaction fee is paid by the account owner and deducted from the account.

In addition to providing advisory services, Advisory Representatives offer securities products and other investment and insurance products in their capacities as registered representatives of SFA and as licensed insurance agents. We will receive additional compensation in connection with this activity, and the amount of compensation will depend on the type of product purchased. We could have a greater financial incentive to recommend certain products as opposed to others. Your Advisory Representative will make recommendations based on your stated investment objectives, risk tolerance and time horizon. Security transactions executed through SFA are reviewed for suitability by a designated supervisor.

Certain third-party asset managers with which SFA has entered into co-advisory and/or solicitor's agreements provide marketing support to SFA and its Advisory Representatives for meetings and other functions. They may also provide software and other tools to assist our Advisory Representatives in providing services to you.

Certain third-party asset managers, including Frontier Asset Management, Loring Ward and Assetmark, share a portion of their respective revenues with SFA based on the assets co-managed and/or referred by SFA. This additional compensation is not shared directly with Advisory Representatives, but can indirectly benefit them through conferences and educational events.

Please refer to Item 14, *Client Referrals and Other Compensation*, below. Please be aware that you are under no obligation to purchase products or services recommended by us or your Advisory Representative in connection with providing you any advisory service that we offer. Your Advisory Representative will answer any questions you have about fees and expenses of the products recommended. Additionally, SFA has adopted a *Code of Ethics*, as described in Item 11 on Page 14 of this Brochure, which describes the standard of conduct required of our Advisory Representatives.

If a conflict of interest exists between an Advisory Representative, employee, or related entity and any client or client's holdings, Advisory Representatives are responsible to disclose such conflicts to the SFA Compliance Department. The Compliance Department will determine the materiality of such conflicts, and material conflicts will be disclosed to you. You will be offered an opportunity to waive such conflicts, to work with another Advisory Representative, or to move your assets to another investment advisory firm.

SFA monitors for potential conflicts of interest through reviews of client accounts, reviews of Advisory Representatives' personal securities accounts and their outside business activities, monitoring e-mails and correspondence, annual Compliance Questionnaires, and branch office exams. Any Advisory Representative knowingly placing personal interest above that of a client may be subject to disciplinary action, up to and including termination.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

SFA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Certain third-party asset managers may assess a performance-based fee, which will be described in the respective manager's disclosure brochure. In some cases, a portion of the performance fee may be shared with SFA and Advisory Representative(s) as a solicitor's fee. Any such arrangement will be described to you in a written Solicitor's Disclosure Statement.

ITEM 7 – TYPES OF CLIENTS

SFA provides investment advisory services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

SFA requires a minimum account size of \$25,000 in managed (or "supervised") assets for Strategic Choice accounts. This limit may be met by a single account or, at SFA's discretion, by aggregating the assets within multiple related accounts. SFA requires a minimum account size of \$25,000 for C-Share Managed Accounts. This minimum account size serves as a guideline, only. SFA, at its sole discretion, may waive this minimum account requirement.

The minimum account sizes required for participation in the programs sponsored by third-party asset managers are described in the manager's respective disclosure brochures.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

SFA's Representatives rely on various types of tools and methods to assist in recommending or selecting investment strategies to you, including asset allocation and various types of software. SFA's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information used to formulate investment advice and/or manage assets include financial newspapers and magazines, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the SEC, and company press releases. The investment strategies used to implement any investment advice given to clients includes long term purchases (securities held at least a year), short term purchases (securities purchased and sold within a year), margin transactions, and option writing. Investment returns are highly dependent on the value of underlying securities which are impacted by trends in the various investment markets.

We generally recommend stocks, bonds, ETFs and mutual funds. Investing involves the assumption of risks, which may include the following:

Investing in **stocks** involves the assumption of risk, including:

- Financial Risk: the risk that the companies we recommend to you may perform poorly, which will affect the price of your investment.
- Market Risk: the risk that the Stock Market will decline, decreasing the value of the securities we recommend to you.
- Inflation Risk: the risk that the rate of price increases in the economy deteriorates the returns associated with the stock.
- Political and Governmental Risk: the risk that the value of your investment may change with the introduction of new laws or regulations.

Investing in **bonds** involves the assumption of risk, including:

- Interest Rate Risk: the risk that the value of the bond investments we recommend to you will fall if interest rates rise.
- Call Risk: the risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.
- Default Risk: the risk that the bond issuer may be unable to pay you the contractual interest or principal on the bond in a timely manner or at all.
- Inflation Risk: the risk that the rate of price increases in the economy deteriorates the returns associated with the bond.

Investing in **mutual funds** involves the assumption of risk, including:

- Manager Risk: the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Investing in **Exchange Traded Funds ("ETFs")** involves the assumption of risk, including:

- The public trading price of a redeemable lot of the ETFs may be different from its net asset value. Declining stock prices can cause losses to your investment.
- Some leveraged and inverse ETFs and ETNs "reset" daily, meaning that they are designed to achieve their stated objectives on a daily basis. If held for a period longer than one day, their performance over the longer periods of time can differ significantly from the stated multiple of the performance (or the inverse of the performance) of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets.
- ETFs and ETNs linked to commodity futures do not offer direct exposure to the commodity's spot price, and may perform differently than the spot price for the commodity itself.
- You should not assume that an ETF or ETN that is linked to commodity futures will provide an effective hedge because of a negative correlation with equities or other asset classes.

Investing in **Structured Products** involves the assumption of risk, including:

- If a principal protected structured note is guaranteed by the underwriting firm's assets, then the guarantee is limited to the claims-paying ability of the underwriter.
- Investment in a Principal Protected Certificate of Deposit carrying FDIC insurance is subject to the limits of that insurance.
- Investment in a Principal Protected Structured Product may still result in substantial opportunity loss.
- Buffered notes do not provide 100% principal protection. Buffered notes only provide limited downside protection against loss and only if the buffered note is held to maturity.
- The gain on buffered notes may be subject to a cap so you may not participate in the full upside of the reference asset(s).
- Buffered notes lack liquidity. They are not listed on any securities exchange and you may not be able to sell your buffered note(s) prior to maturity.
- Buffered notes do not pay dividends. The payment of a buffered note at maturity will reflect cumulative performance.
- Buffered notes are not obligations of a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or program of the United States or any other jurisdiction.
- Structured products are subject to loss of principal.

Investing in **Alternative Investments ("Alternatives")** involves the assumption of risk, including:

- There may be no public market so these Alternatives could not be sold quickly or rebalanced.
- The holding period will vary by product before a liquidation event is executed.
- Many Alternatives are not registered with the SEC so do not afford the benefits of public disclosure and reporting.
- SFA will limit the percentage of Alternatives held in a managed account based on your liquidity needs, net worth, investment objectives, risk tolerance, and any state or regulatory limitations. Alternatives may not be purchased on a discretionary basis.

Margins, options, and short sales are higher risk strategies. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you. When you short sell, your losses can be infinite.

You should also be aware that transactions in the account (including account reallocations and rebalancing) may trigger a taxable event for you, unless your account is a qualified retirement account.

When using third party investment managers, each manager will have its own methods of analysis, investment strategies and unique investment risks that should also be reviewed and considered. In instances where we recommend that a third party manage your assets, please refer to the third party's ADV Part 2A and Appendix 1 disclosure brochures for details on their investment strategies, methods of analysis, and associated risks.

Investing in securities involves risk of loss that you should be prepared to bear.

ITEM 9 – DISCIPLINARY INFORMATION

On October 29, 2015, The Strategic Financial Alliance, Inc. (“SFA”) entered into an Acceptance, Waiver and Consent with the Financial Industry Regulatory Authority (“FINRA”) concerning its supervision of and procedures related to consolidated reports. Without admitting or denying the allegations, SFA consented to a censure and a \$30,000 fine. SFA was also required to submit an attestation that it had implemented procedures which more fully addressed the supervision of consolidated reports.

Information about your Advisory Representative is available in his or her Supplement to this brochure, and at www.adviserinfo.sec.gov.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

SFA is also registered as a broker-dealer, member of FINRA and SIPC. Individuals affiliated with SFA may be both Advisory Representatives and registered representatives. SFA and its registered representatives offer securities and financial products in addition to rendering investment advice. SFA estimates it devotes 60% of its time to activities as a broker-dealer.

Many representatives associated with SFA are also licensed to sell insurance products with the states in which they do business, and are appointed by various insurance companies, including through SFA’s affiliated insurance agency, SFA Insurance Services, Inc.

Certain Advisory Representatives may also be Advisory Representatives of investment adviser firms which are unaffiliated with SFA. These relationships are disclosed in the respective Advisory Representative’s Part 2B Supplement. The services provided to you through SFA are disclosed in your Advisory Agreement.

Clive Slovin, President of SFA, and certain Advisory Representatives, officers and employees are shareholders of SFA Holdings, Inc. (“SFAH”), parent company of SFA. Shareholders will benefit from the profits accrued to SFAH in the form of dividends.

Clients are under no obligation to purchase insurance products, securities products or other products or services through SFA and its associated persons. While SFA and its Advisory Representatives endeavor at all times to put the interests of clients first, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may potentially affect the judgment of these individuals when making recommendations.

Strategic Blueprint, LLC is an SEC-registered investment adviser established in July 2016, wholly owned by SFA Holdings, Inc. It shares office space and certain supervised persons with SFA. LaRee Holloway and Julie Sullivan serve as officers and directors.

SFA Partners is wholly owned by SFA Holdings, Inc. It provides services shared by SFA, Strategic Blueprint, and SFA Insurance Services, including human resources, marketing, advisor relations, recruiting, accounting, and due diligence.

MerCap Advisors, Inc. (formerly, S&G, Inc.) is wholly owned by SFA Holdings, Inc., parent company of SFA. MerCap Advisors, Inc. ("MCA") is a state-registered investment adviser with its main office in Paoli, Pennsylvania. LaRee Holloway and Julie Sullivan, who are officers of SFA, also serve as Directors of MCA.

In August 2015, SFA Holdings, Inc. acquired MerCap Securities, LLC, a registered broker-dealer with its main office in Paoli, Pennsylvania. LaRee Holloway is an Officer and Director of MerCap Securities, LLC. Julie Sullivan serves as a Director.

Green Creek Resources, LLC is a sponsor of a pooled investment vehicle. It may sponsor additional programs in the future. LaRee Holloway is an officer of Green Creek Resources, LLC, which, as of September 2016, is 50% owned by SFA Holdings, Inc. and shares office space with SFA.

Timbrel Capital LLC (Timbrel), member FINRA and SIPC, is a registered broker-dealer formed in 2019 and is wholly owned by SFAH. It provides wholesaling and consulting services to sponsors of alternative investments, including Reg D private offerings and unregistered public programs. Timbrel does not conduct business directly with retail investors. If your Advisory Representative recommends a program that is sponsored by a client of Timbrel, disclosure will be made to you.

ITEM 11 – CODE OF ETHICS

We have adopted a *Code of Ethics* ("Code") to address the standard of business conduct required of our Advisory Representatives and employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- Duty at all times to place your interests ahead of ours;
- All personal securities transactions of our Advisory Representatives and employees must be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of an Advisory Representative's or employee's position of trust and responsibility;
- Advisory Representatives may not take inappropriate advantage of their positions; and
- Information concerning the identity of your security holdings and financial circumstances is confidential and must be safeguarded.

We will provide a copy of the Code to you or any prospective client upon request.

We do not buy or sell securities for our own account that we also recommend to you. Our Advisory Representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account.

The personal securities transactions by our Advisory Representatives and employees may raise potential conflicts of interest when they trade in a security that is owned by you or is being considered for purchase or sale for your account.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- Require our Advisory Representatives and employees to act in your best interest,
- Prohibit favoring one client over another, and
- Provide for the review of transactions to monitor that an Advisory Representative or employee does not place a trade in a personal or beneficial account in front of a client's transaction in the same security.

Our Advisory Representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for your account.

ITEM 12 – BROKERAGE PRACTICES

SFA is the broker/dealer for Strategic Choice Accounts. Pershing, LLC is the clearing firm and custodian for Strategic Choice accounts. SFA does not maintain custody of client assets.

In addition to brokerage and custody services, Pershing provides access to research, software, and educational opportunities. Pershing may also make available or arrange for these types of services to be provided to us by independent third parties. It may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. It also shares a portion of fees it earns on money market balances. Commissions and other fees for transactions executed through Pershing, LLC may be higher than commissions and other fees available if you use another custodian firm to execute transactions and maintain custody of your account.

SFA does not have soft dollar arrangements wherein commissions are used to pay for research.

Pershing Advisor Solutions, LLC is the clearing firm and custodian for Strategic Select accounts. SFA does not maintain custody of client assets.

Bunched Trading

We may engage in “bunched trading,” which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Transactions for the accounts of our Advisory Representatives and employees may be included in bunched trades. They will receive the same average price as clients.

Transactions for the accounts of our Advisory Representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client transaction in a bunched trade. Bunched trades will not be effected for any client’s account if doing so is prohibited or otherwise inconsistent with that client’s investment advisory agreement. No client will be favored over any other client.

ITEM 13 – REVIEW OF ACCOUNTS

Each security purchase or sale effected by our representative in your account is monitored for suitability by a designated supervisor. Advisory Representatives review advisory accounts with you at least annually. Transactions in the accounts are reviewed on an ongoing basis. Interim reviews may be triggered by changes in political, economic or market conditions or if there are changes in your stated financial profile.

Reviews for financial plans occur upon the engagement as part of the financial planning process. The extent of reviews depends on the arrangement with you. Thereafter, reviews are conducted according to the Financial Planning Agreement. Financial planning clients receive a financial plan in the agreed upon form upon completion of the plan. Updates to the financial plan and subsequent reviews are conducted as determined by advisor and client as outlined in the Financial Planning Agreement.

SFA’s Advisory Representatives render investment advisory services to clients with different methods. Advisory Representatives may offer any or all of the advisory services described in this Brochure. SFA instructs each Advisory Representative that manages accounts to review accounts with their clients, at least annually, as to suitability of the portfolio relative to stated financial needs and objectives, and to determine what action, if any, is indicated. Broader reviews are performed periodically by the Advisory Representative’s designated supervising principal and/or the SFA Supervision Team, or their qualified designees.

SFA’s clearing firm and account custodian, Pershing LLC, provides Strategic Choice clients with monthly brokerage account statements (unless there has been no activity in the account), and

comprehensive quarterly account and performance reports. Pershing also sends confirmations of transactions to clients when activity occurs in accounts. Please review your statements carefully to make sure that your account is being managed according to your stated objectives. Your statement will also show the amount of any advisory fee deducted from your account.

Third party asset managers to which SFA has referred clients provide statements and performance reports to clients, monthly or quarterly, based on the TPAM's disclosure brochure and their agreement with the client.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

OTHER COMPENSATION

In its capacity as a broker-dealer, SFA and its registered representatives may earn brokerage commissions and/or fees from the sale of investment products such as stocks, bonds, mutual funds, ETFs, variable annuities and variable universal life products. Commissions vary depending upon the type of security and service offered.

In certain instances, product sponsors, investment companies, and third-party asset managers (“product sponsors”) participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and educational programs, and by offsetting expenses that result from the cost of doing business. Additionally, SFA enters into arrangements with product sponsors whereby SFA receives a marketing allowance, due diligence fees, or other financial benefit based on sales of the sponsor's products or by providing access to registered representatives affiliated with SFA's broker-dealer. In return, for assistance in facilitating the activities described above, SFA will receive additional compensation from product sponsors. However, SFA does not recommend these products over others. These companies may have greater access to our representatives to provide training, education presentations and product information. And this additional compensation may give rise to a financial incentive for SFA to recommend these products over other products where such financial incentives are not present.

While SFA and its Advisory Representatives endeavor at all times to put the interests of their clients first, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may potentially affect the judgment of these individuals when making recommendations. Additionally, because of the revenue sharing arrangements referenced above, though they do not impact advisor compensation, Advisory Representatives may prefer recommending products offered by a sponsor who is participating in the revenue sharing program over other mutual funds, variable products, DPPs, REITs or third-party money managers available through SFA. You should feel free to ask your Advisory Representative how she or he will be compensated for any transaction involving a product sponsor.

SFA will receive certain economic benefits from Pershing as the clearing firm and custodian for Strategic Choice accounts. Those benefits are described in detail in the preceding section entitled “Brokerage Practices.”

CLIENT REFERRALS

SFA enters into written agreements with certain unaffiliated investment advisers and other professionals (such as CPAs, attorneys, etc.) to compensate them for referring clients to us. We will pay these individuals (referred to as “solicitors”) a percentage of the advisory fee that you pay us if it is determined that you have become a client of ours as a result of their direct or indirect efforts.

The payments we make to a solicitor will not result in an increase in the amount of the advisory fee that you pay.

Additionally, we also enter into written agreements through which SFA serves as a solicitor to other investment advisers. SFA (and, in turn, your Advisory Representative) will receive a portion of the advisory fee as a solicitor’s or referral fee when you enter into an advisory agreement with a third-party asset manager as a result of your advisory representative’s recommendation.

Our solicitation or referral arrangements will comply with applicable laws that govern:

- the nature of the services provided;
- the fees to be paid;
- disclosure of solicitor arrangements to clients; and
- client consent, as required.

Any solicitor’s fee will be fully described in a written Solicitor’s Disclosure Statement which you will receive and acknowledge when you enter into an advisory agreement.

ITEM 15 – CUSTODY

SFA does not maintain physical custody of client assets. Your assets are maintained by a qualified custodian. It may be deemed to have custody when you authorize us to deduct advisory fees directly from your account. SFA may only deduct fees with your written authorization, and the amount of any advisory fee deducted is shown on your account statement. You will receive at least quarterly statements from the account custodian. SFA urges you to carefully review such statements and compare this official custodial record to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Where there are differences, you should rely on the values disclosed in the custodial account statements.

SFA is also deemed to have custody when you execute a Standing Letter of Authorization (SLOA) which allows your Financial Advisor to request disbursements to be sent from your account to payees as specified by you in the SLOA. You will receive notifications from the account custodian when such a disbursement is made. Annually, the custodian will send a notification to you to confirm the SLOAs which you have authorized.

By limiting the manner in which we are deemed to have custody, SFA is not subject to a surprise audit requirement.

ITEM 16 – INVESTMENT DISCRETION

We may manage your accounts on a discretionary or non-discretionary basis. We will only manage your account on a discretionary basis upon obtaining your written consent. Your consent is typically granted and evidenced in the executed *Trading Authorization and Indemnification Form* and the *Customer Guide to Discretionary Accounts* for Strategic Choice accounts, or through the *Statement of Investment Selection* in the Strategic Select program. We define discretion as the authority to trade your account, without obtaining your prior consent, to select the securities and amount of securities to be bought or sold, and the timing of the purchase or sale. It does not extend to the withdrawal or transfer of your account funds.

We may give advice and take action in the performance of our duties to you, which differs from advice given, or the timing and nature of action taken, with respect to other clients' accounts.

ITEM 17 – VOTING CLIENT SECURITIES

As a matter of firm policy and practice, SFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. SFA may provide advice to clients regarding the clients' voting of proxies. You will receive information about proxies directly from your account custodian.

ITEM 18 – FINANCIAL INFORMATION

SFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.