



REVENUE SHARING & CONFLICT OF INTEREST SUMMARY

Conflicts of interest in business relationships are the normal. They occur whenever a firm charges for its goods or services in that, the more the firm charges the more it benefits and the more the client must pay. However, all conflicts of interest are not as apparent as the pricing example.

This document is intended to describe other conflicts and potential conflicts of interest which may affect your relationship with the Strategic Financial Alliance, Inc (SFA). SFA works to disclose all conflicts of interest and eliminate or mitigate these conflicts whenever possible.

1. PRICING

Most of the fees and commissions charged by SFA are negotiable. Your representative will generally set his/her rates based on the time and complexity of servicing your account(s). You are free to discuss these fees and commission rates and negotiate rates that are mutually acceptable.

CONFLICT: SFA and its representative will make more money when charging more for products and services.

MITIGATION: Fees and commissions are fully disclosed and negotiable.

2. NON-NEGOTIABLE COMMISSIONS

The commission on certain securities such as mutual funds, variable insurance and direct placement securities are set by the product prospectus and cannot be changed. These commission are not negotiable. When purchasing these securities, you may want to ask your representative about alternatives with lower commission.

Some of these securities offer more than one "share class" (shares with different commission schedules and / or different ownership rights.) Your representative will discuss each available share class when offering you the security.

In some cases, SFA may choose not to include all share classes in its selling agreement with the product distributor. If so, certain share classes will not be available to you.

CONFLICT: SFA and its representative will make more money by selling the product with the highest commission.

CONFLICT OF INTEREST SUMMARY
PAGE TWO

MITIGATION: SFA maintains a large product platform (the list of products available through SFA) with multiple products in most categories. The difference in commission from one product to another in the same product category is relatively narrow and is not enough to motivate SFA to put products on its platform that it does not believe to be among the best in their class. And, only these products are available for representatives to recommend. SFA monitors sales in order to identify any favoritism based on product commission.

3. OTHER FEES

Pershing LLC provides SFA with trading and custody services. It also provides various account and servicing options. In some cases, SFA passes the cost of these services directly to the client, in other cases SFA marks-up the service cost in order to profit from the fee or to off-set the cost of providing operational support for the service or the account. Generally, these fees are disclosed in some relevant document such as an account agreement. The portion of the fee that accrues to SFA is not necessarily disclosed.

CONFLICT: SFA benefits from additional fees.

MITIGATION: While these fees are helpful in offsetting the cost of providing operational support, in total these fees are relatively small and not sufficient to cause SFA to recommend a service that is necessary or in the client's best interest.

4. OTHER SOURCES OF REVENUE - Due Diligence and Marketing Fees

SFA offers many alternative and complex products such as Oil and Gas Partnerships and Non-Traded Real Estate Investment Trusts. These products must be reviewed carefully to determine if they represent a sound business opportunity, if they are properly designed to achieve their investment goal, and to evaluate the reputation and prior success of the product sponsor (the company that offers or distributes the product). This review requires specialized staff and a great deal of time and resources. Some of the product sponsors provide SFA payment, in addition to the sales commission, to help offset SFAs cost of reviewing the product, and for marketing the product to its representatives.

CONFLICT: SFA benefits from due diligence (product review) fees and marketing support fees.

MITIGATION: SFA works to maintain a large number of diverse product sponsors available through SFA representatives. This revenue, though helpful in offsetting costs, is not sufficient to dictate SFA's choice of product sponsors. Representatives recommend specific products to its clients and do not share in due diligence fees.

5. REPRESENTATIVE MARKETING SUPPORT

Certain product sponsors provide marketing support to specific representatives or offices of SFA. Such support generally takes the form of reimbursement of some expenses related to training events for their staff, reimbursement for certain expense related to marketing events attended by clients of the representative(s), and/or reimbursements for due diligence trips to learn about complex products. This support helps offset the representative's expenses for learning, training and marketing these products.

CONFLICT: Representatives might be inclined to favor products of sponsors who provide this support over those that provide less or no such reimbursements.

MITIGATION: Industry rules relating to such reimbursements are designed to keep such reimbursement from being overly generous or extravagant. SFA applies a strict interpretation of those rules and maintains a rigorous program of enforcement to minimize the influence of these reimbursements.



SOURCES OF ADDITIONAL FEES OR REIMBURSEMENTS

SFA’s broker-dealer earns revenue primarily through assessing commission on securities transactions. SFA’s investment adviser earns revenue primarily through the assessment of fees for investment management and financial planning and consulting. Below is a list of specific sources of fees from which SFA benefits:

Due Diligence and Marketing Fees for Private Direct Placement Securities

The Strategic Financial Alliance, Inc. received some funds from the following companies in the form of fees to offset the cost of reviewing their products or as marketing fees, during the most recent eighteen months.

APX ENERGY, LLC	HINES SECURITIES, INC
BLUEROCK CAPITAL MARKETS, LLC	INLAND SECURITIES CORP
BOURNE FINANCIAL GROUP, LLC	MEGATEL CAPITAL INVESTMENTS, LLC
CARTER MULTIFAMILY MANAGEMENT CO, LLC	MEWBOURNE DEVELOPMENT CORP
CNL REAL ESTATE	PASSCO COMPANIES, LLC
CROWNE PARTNERS, INC	PEACHTREE HOTEL GROUP II, LLC
ECOVEST CAPITAL, LLC	RANCE KING SECURITIES CORP
EXCHANGERIGHT REAL ESTATE, LLC	SFG INCOME FUND
GREEN ROCK, LLC	SHOPOFF REALTY INVESTMENTS, LP
GRIFFIN CAPITAL COMPANY, LLC	SOVEREIGN PARTNERS, LLC
HAMILTON POINT INVESTMENTS, LLC	TRILOMA SECURITIES
WAVELAND CAPITAL GROUP, INC	SIXTY WEST TCI
	TRITON PACIFIC SECURITIES

Due Diligence and Marketing Fees for Public Direct Placement Securities, BDCs and REITs

The Strategic Financial Alliance, Inc. received some funds from the following companies in the form of fees to offset the cost of reviewing their products or as marketing fees, during the most recent eighteen months.

APX ENERGY, LLC	GWG HOLDINGS INC
BLUEROCK REAL ESTATE, INC	HINES SECURITIES, INC
CANTOR FITZGERALD INVESTORS, LLC	CION INVESTMENT GROUP, LLC
COTTONWOOD RESIDENTIAL, INC	CCO GROUP, LLC
CARTER VALIDUS REIT MANAGMENT	PREFERRED APARTMENT COMM, INC
CNL REAL ESTATE	PROCACCIANTI COMPANIES, INC
GLADSTONE MANAGEMENT, INC	REDWOOD MORTGAGE CORP
GWG HOLDINGS, INC	RESOURCE REAL ESTATE, INC
GRIFFIN CAPITAL COMPANY, LLC	STRATEGIC STORAGE TRUST, INC

SOURCES OF ADDITIONAL FEES OR REIMBURSEMENTS
PAGE TWO

Many of the companies listed above contribute marketing reimbursements to individual offices of The Strategic Financial Alliance, for specific marketing events, consistent with firm and industry rules. Feel free to ask your representative about sponsor reimbursements.

Due Diligence and Marketing Fees for Mutual Funds and Insurance

The Strategic Financial Alliance, Inc. received some funds from the following companies in the form of fees to offset the cost of reviewing their products or as marketing fees, during the most recent eighteen months (or, expects to receive funds).

AMERICAN FUNDS	THRIVENT FUNDS
ASH BROKERAGE (Insurance)	PINNACLE FINANCIAL SRVS (Insurance)
ITRUST INSURANCE GROUP	

Additional Services Provided by Clearing and Custody Firms

SFA receives some portion of fees originating from charges assessed by firms that provide clearing and custody services for SFA accounts. Below is a list of such services on which SFA received a portion of the charge assessed to the client.

Non-purpose Loan Account Interest	Margin Account Interest
Outgoing Account Transfer Fees	Physical Security Redemption Fees
Mandatory Reorganization Fees of Physical Securities	Mandatory Reverse Split Fee for Physical Securities
Voluntary Reorganization Fees	Outgoing Wire Fees
IRA Maintenance Fees	Trade Ticket Charges