

Item 1 – Cover Page

Strategic Retirement Advisors, LLC

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[www.strategicretirementadvisors.net](http://www.strategicretirementadvisors.net)

[www.total457.com](http://www.total457.com)

March 27th, 2020

This Brochure provides information about the qualifications and business practices of Strategic Retirement Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (888) 234-6425. 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.

Strategic Retirement Advisors, LLC is an SEC registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. Additional information about Strategic Retirement Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

This Item discusses only specific material changes made to the Brochure. It provides clients with a summary of such changes.

We transitioned our registration to the Securities and Exchange Commission (SEC) in 2019 and continue there. We have provided notice filings to the state of California and Nevada.

For this filing, we have only made minor updates, including assets under management. This Brochure has also been updated to reflect that the firm has revised its fee schedule. SRA has imposed a minimum fee of \$500 per year. Please see Item 5.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary link to any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Brent Mick, Wealth Manager at (888) 234-6425 or Jeff Miller, Investment Advisor also at (888) 234-6425. Our email addresses are [mick@strategicretirementadvisors.net](mailto:mick@strategicretirementadvisors.net) or [jeff@strategicretirementadvisors.net](mailto:jeff@strategicretirementadvisors.net). Our Brochure is also available online at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Additional information about Strategic Retirement Advisors, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Strategic Retirement Advisors, LLC who are registered, or are required to be registered, as investment adviser representatives of Strategic Retirement Advisors, LLC.

Item 3 -Table of Contents

|  |     |
|--|-----|
| Item 1 – Cover Page.....   | i   |
| Item 2 – Material Changes .....  | ii  |
| Item 3 -Table of Contents.....   | iii |
| Item 4 – Advisory Business.....  | 1   |
| Item 5 – Fees and Compensation .....                                       | 4   |
| Item 6 – Performance-Based Fees and Side-By-Side Management.....           | 6   |
| Item 7 – Types of Clients .....  | 6   |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss ..... | 7   |
| Item 9 – Disciplinary Information.....                                     | 10  |
| Item 10 – Other Financial Industry Activities and Affiliations.....        | 10  |
| Item 11 – Code of Ethics.....  | 11  |
| Item 12 – Brokerage Practices.....   | 13  |
| Item 13 – Review of Accounts .....   | 15  |
| Item 14 – <i>Client</i> Referrals and Other Compensation .....             | 16  |
| Item 15 – Custody .....  | 16  |
| Item 16 – Investment Discretion .....                                      | 17  |
| Item 17 – Voting Client Securities .....                                   | 17  |
| Item 18 – Financial Information.....                                       | 17  |
| Item 19 – Requirements for State-Registered Advisers .....                 | 18  |

Brochure Supplement(s)

#### **Item 4 – Advisory Business**

Strategic Retirement Advisors is a client driven investment advisory firm with primary office in Sacramento, California. The firm is operated and owned by two principals, Brent Mick and Jeff Miller. The firm has existed since 2007. Brent and Jeff have over twenty years of combined investment experience and a similar amount of time working with individual clients and employer sponsored retirement plans.

##### Education and Business Background

Brent G. Mick

Born September 18, 1975

##### Educational Background

Bachelor of Arts Degree, University of California - Davis

##### Business Background

04/2007 to Present, Vice President, Chief Financial Officer, Wealth Manager, Strategic Retirement Advisors, LLC

02/2000 to 04/2007, Retirement Plan Specialist, International City Management Association Retirement Corporation

##### Licenses

Series 65 (2002)

Jeff Miller

##### Educational Background

Chartered Financial Analyst (CFA)

Bachelor of Arts Degree, Economics, University of Virginia, 1991

##### Business Background

05/2007 to Present, Investment Advisor, Strategic Retirement Advisors, LLC

10/1991 to 05/2007, Retirement Plan Specialist, International City Management Association Retirement Corporation

##### Licenses

Series 65 (2004)

Our clients are located throughout the state of California and range from individuals to employers sponsoring workplace retirement savings plans. We maintain a broad-based investment approach that includes mutual funds, ETFs, individual stocks and bonds and other options suitable to clients. Our desire is to objectively analyze the best options available for clients and suggest those options for their accounts. Many of our clients are former or existing public sector employees within the state of California. We maintain an expertise on public sector retirement systems such as CalPERS and do assist clients in estimating their benefits under these programs. Many clients maintain tax-deferred retirement accounts and non-retirement accounts to supplement their primary pension plans and we assist them in designing their investment allocations according to their time horizon and risk tolerance. These investment management suggestions are designed to closely reflect the individual needs of clients. Clients are encouraged to express their return goals, comfort with risk, and individual preferences with respect to their investments. Clients may exclude any particular investment from consideration. Since most are coming to us for our investment management services, it is not common for a client to place such restrictions. Our goal is to participate with the client in the investment decision-making process. This often leads to customized portfolios that may differ from client to client. Follow-up meetings are designed to help clients understand the performance of investments and any changes suggested to their existing portfolio.

We do not participate in any wrap fee programs, which include the outsourcing of portfolio management duties to third parties.

Client Assets:

Discretionary: \$ 69,632,000

Non-Discretionary: \$ 67,612,000

As of 12/31/2019

Strategic Retirement Advisors, LLC offers a wide range of investment advisory services to its Clients. Advice and services are tailored to the stated objectives of the Client(s). Clients grant either non-discretionary or discretionary authority to SRA for the investment of client funds. SRA executes its investment recommendations in accordance with a review of the client's profile and selection of their preferred risk profile.

Non-discretionary authority requires the Advisor to obtain Client's verbal or written approval of portfolio investments. This approval generally occurs via face-to-face meeting, email or a phone call. On an ongoing basis, clients receive investment statements that detail their portfolio holdings. We ask clients to contact us anytime if they do not understand or agree with an investment holding. In addition, during periodic client reviews, we lay out the portfolio and investments and clients attest to their agreement with the holdings.

In many circumstances, client grants Advisor ongoing and continuous discretionary authority to execute its investment recommendations in accordance with client's profile and selection of their preferred investment objective. These investments occur without the Client's prior approval of each investment. Under this authority, Client shall allow Advisor to purchase and sell securities and instruments in this account, arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the Client in most matters necessary or incidental to the handling of the account, including monitoring certain assets. Unless specifically directed otherwise in writing by the Client, Advisor is not authorized to vote proxies on issues held in the account or receive annual reports. Client will execute instructions regarding Advisor's trading authority as required by each custodian.

Compensation to Advisor for its services will be calculated in accordance with "Schedule A" of the Investment Advisory Agreement, which may be amended from time to time by Advisor upon 30 days prior written notice to Client. A late charge of 1½ percent per month will be charged upon any balance unpaid within one month of the invoice date. With client's written authorization (included in the brokerage account agreement), such fees may be deducted by the Advisor directly from the client's account upon submission of the request electronically by Advisor to the custodian. SRA retains the monthly billing calculation that includes the amount of fees, value of clients' assets on which the fees are based and the specific manner of which the fees are calculated. The electronic billing submission to the custodian will show the amount of fees for each individual account. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. Client's fee activity may be reviewed on regular account statements provided by the custodian. Client may be required to pay, in addition to the Advisor's fee, a proportionate share of any mutual fund's fees and charges including possible short term redemption fees and transaction charges.

Fees for partial months at the commencement or termination of this Agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the month. Assets received in the account during the month, will be included in the fee billing for the current month on a pro-rata basis.

Other services offered:

SRA offers financial planning and educational seminars and workshops as outlined below

#### Financial Planning

Limited financial planning is included in the investment advisory fee. More extensive financial planning requirements may require an additional fee. This planning typically takes the form of estimating future account values along with estimates of future income that could reasonably be expected

### Selection of Other Advisors

SRA has occasional opportunities to assist in the selection of other advisors for workplace retirement plan sponsors. This service is only offered on rare occasions and typically less than once per calendar year. Payment for this service is determined at the time services are requested on a short-term flat fee contract.

### Educational Seminars and Workshops

These seminars and workshops take place at workplaces where clients are employed. They cover the broad topics of

Saving for retirement

Asset allocation

Future value forecasting

Long-term withdrawal plans

Retirement planning

### **Item 5 – Fees and Compensation**

#### Standard Advisory Client Fee Schedule

1.00% on assets under \$1,000,000

0.50% on assets between \$1,000,000 and \$2,000,000

0.25% on assets between \$2,000,000 and \$3,000,000

0.15% on assets in excess of \$3,000,000

**Notwithstanding the above, fees are generally negotiable.**

#### *Workplace Retirement Plan Fee Schedule*

*0.75% on assets under \$15,000,000*

*0.50% on assets between \$15,000,001 and \$20,000,000*

0.40% on assets between \$20,000,001 and \$40,000,000

0.30% on assets in excess of \$40,000,000

*Actual Balance Fee Example:*

| <b>Balance</b> | <b>Advisory Fee</b> | <b>Monthly Fee</b> | <b>Annual Amount</b> |
|----------------|---------------------|--------------------|----------------------|
| \$10,000       | 1.00%               | \$8.33             | \$100.00             |

All fees are subject to negotiation.

The specific manner in which fees are charged by SRA is established in a client's written agreement with SRA. The general fee schedule appears above. The final fee schedule is included in the Investment Advisory Agreement signed by the client. SRA will bill its fees directly from client accounts with written authorization. Fees are deducted in arrears on a monthly basis for individual client accounts. This monthly deduction occurs once during the window of the final eleven days of each calendar month. The balance used to calculate the fee is the prior day's ending balance during the month-end window.

#### **Workplace retirement plan accounts under contract with plan sponsor and SRA**

Workplace retirement plan accounts managed by SRA with selected recordkeepers and custodians have fees deducted in arrears on a quarterly basis. These deductions are processed by our plan record keeper, Newport Group.

Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Individual accounts terminated during a calendar quarter will be charged a prorated fee. These fees are calculated and debited from each participant's account by contractual agreement with the plan sponsor and our record keeper.

#### **Guidance for clients with their own workplace or custodial accounts**

Clients may engage the services of SRA for accounts not established directly with us or one of our custodians. For example, some clients maintain retirement plans at work through designated 401(k) type plan administrators with no affiliation or agreement with SRA. Clients may work with us for guidance and financial planning matters on these outside accounts for a negotiated annual fee or on an hourly basis. The annual fee is generally \$350 or an hourly rate of \$125 per hour for one-time services. This fee is billed directly to the client. Services include individual appointments, often at the workplace of the client. Fees will vary.

SRA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed



by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds 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 SRA's fee, and SRA shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that SRA considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Strategic Retirement Advisors 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). Instead, fees are calculated monthly on the total account balance according to the schedule above.

### **Item 7 – Types of Clients**

Strategic Retirement Advisors provides investment management services to:

- individuals
- high net worth individuals
- municipal City/County defined contribution plan sponsors
- 457, 401(a) and other retirement plans

SRA maintains an account minimum of \$100,000, which may be waived by SRA in certain circumstances based on the needs of the client and the complexity of the client's portfolio.

## Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. With the exception of bank CDs, the investment instruments described below are not insured or guaranteed by the FDIC or any other government agency.

**Asset Allocation** is a top-down investment strategy used by SRA that focuses on general movements in the market rather than on performance of individual securities. The rise and fall of certain securities may not react according to predicted trends. Other factors such as risk tolerance, market timing, portfolio size, and investment expenses, may also affect the portfolio performance.

### Investment Strategies

For many clients, SRA uses a predominant long-term rebalancing strategy designed to capture market rates of both return and risk. Rebalance generally seeks investment strategies where risk is in line with that of the general domestic and/or international equity and fixed income markets. Portfolios are often made up of publicly traded ETFs and low-fee index funds. The risks of these investment vehicles are correlated with the risks of the global equity and bond markets because the ETFs and funds often recommended are broad market indices or targeted index segments such as mid-cap value or small cap value.

Clients who prefer fund managers who employ active security selection and a more tactical asset allocation process will often find themselves invested in blended funds that fall under the Morningstar categories of Tactical Allocation, Allocation 30%-50% equity or an incrementally adjusted asset allocation portfolio that often adjusts over time. These client portfolios, consequently, not include many individual index funds. Generally speaking, these funds would be expected to have less short-term volatility since bonds and other asset classes would be expected to dampen the sharper moves of an all-stock index fund.

We adhere to the following investment strategies and principles:

Matching client return goals with investment portfolios

We want the investor to understand the expected return available from an investment mix. If the investor wants to aim for higher returns, they must understand that more short-term fluctuations in value will likely result.

- Use independent analysis tools from Morningstar™ and other research firms

We attempt to use highly rated investments with a proven track record and significant manager tenure, where possible. We focus on no-load investments whenever possible.

- Blending investment vehicles to balance risk

Our goal is to utilize the best available blend of investment options to provide a suitable return without undue risk. We seek out opportunities for investments that aren't expected to move together over the economic cycle.

Investment accounts will typically blend the following vehicles:

- Cash or Money Market Funds

Considered secure and extremely low risk

- Bond Funds

Low risk diversified blend of fixed income securities. Subject to declining value in a rising interest rate environment.

- Individual bonds

A fixed income offering designed to focus on a specific yield over a set period of time. Fixed income investments run the risk of default based on the individual company's credit quality and ability to repay their debt. We use composite credit rating services including Moody's and Standard and Poor's to analyze the credit worthiness of the company before investing. Below investment grade bonds will also be utilized in client portfolios for those clients who seek a higher yield to maturity on their bond investments. Before purchasing such bonds, our goal is to thoroughly explain the risks associated with the underlying investment. Investing in individual bonds may result in a non-diversified portfolio. This may be done to ladder the portfolio toward a client's goals and cash flow needs. Our goal is to limit any single bond to no more than 25% of a client's portfolio.

- Equity Mutual Funds

We will frequently utilize equity (stock) mutual funds or blended equity funds (stocks and bonds) in assembling client portfolios. Clients with return goals of 7-10% understand that the use of stock funds is necessary to try to achieve these higher expected returns. We will explain the pros and cons and attempt to choose funds suitable for the investor's risk appetite. Clients are informed that these funds should enhance returns over time, but often will experience shorter periods of large fluctuation. Since we focus on funds without deferred sales charges or penalties for selling a fund, we communicate that clients are free to change a fund if they become uncomfortable with price fluctuation. Very short term trading (typically less than 90 days) is subject to funds' short-term redemption fees. These funds may include growth, value, large cap, mid cap, small cap, index, active and industry sector funds and other specialty funds that fit within a diversified investment strategy. In isolation, a fund may have above average risk. Within the other portfolio holdings, we believe it is a sensible way to enhance returns while limiting downside risk. Funds are placed in general risk/return categories based on their past performance or, for newer funds, the

performance of the types of securities in which they invest. There is no assurance that past trends will continue.

- Individual stocks

Individual stocks are utilized in client portfolios when acceptable. Individual stocks may involve high price fluctuation. We attempt to use limit and stop orders to reduce downside risk when possible. There are no guarantees with individual stocks.

As noted above, SRA generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. SRA will typically hold all or a portion of a security for more than a year or many years. We may hold for shorter periods if a client has a change of objective or for the purpose of meeting the cash needs of clients. At times, SRA may also buy and sell positions that are more short-term in nature, depending on the goals of the client and/or the fundamentals of the security, sector or asset class.

**Stocks or equity mutual funds** are subject to general market risk, industry risk and firm-specific risks. Stock markets can decline for many reasons, including adverse political or economic developments, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, the investment manager's assessment of companies held in a fund may prove incorrect, resulting in losses or poor performance even in rising markets. Funds that invest only in specific industries will experience greater volatility than funds investing in a broad range of industries. The rate of earnings growth of natural resources companies may be irregular since these companies are strongly affected by natural forces, global economic cycles, and international politics. For example, stock prices of energy companies can fall sharply when oil prices fall.

Our primary strategy does not involve frequent trading of securities. Instead, we would like to hold investments until our market or economic outlook changes or the security fails to achieve expected results. Not every investment decision or recommendation made by the Advisor will be profitable. We discuss downside risk with the investors and do our best to match return goals with appropriate levels of risk. Helpful service includes:

- Periodically meeting with client to determine if there has been a change in their risk tolerance or their investment time horizon
- Keeping the client informed of changes within the tax code that may affect their overall investment portfolio

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Strategic Retirement Advisors or the integrity of Strategic Retirement Advisors' management. Strategic Retirement Advisors has no information applicable to this Item.

SRA is currently the subject of a civil proceeding. Details of this action are disclosed and available on our Form ADV available online at sec.gov. The matter is pending.

#### **Brief description of allegation:**

Plaintiff alleges Strategic Retirement Advisors, LLC (SRA) advised it to establish a new qualified governmental defined contribution plan. Plaintiff alleges third-party administrator and custodian, also named defendants, did not properly establish and administer the New Plan; and its prior plan's third-party administrator did not properly terminate the Old Plan. Plaintiff alleges the third-party administrators' and custodian's acts jeopardized the tax-qualified status of the Old Plan, and could lead to IRS tax liability.

#### **Brief description of response to allegation:**

SRA did not breach any duties to Plaintiff, and did not cause any of the alleged injuries. Plaintiff's injury, if any, were caused by the alleged failures of the third-party administrators and custodians. SRA was neither a third-party administrator nor a custodian of any of Plaintiff's Plans, and had no ability to terminate, establish, or administer any such Plans. Therefore, SRA did not owe any of the alleged duties to Plaintiff, could not have committed the alleged breaches of duty, and could not have caused any of the harms Plaintiff claims to have suffered. Further, Plaintiff does not allege that the Plan was improper—only that the co-defendants allegedly failed to administer them properly, which resulted in the tax-qualified status of one of the Plans being jeopardized. Plaintiff fails to state any claim of wrongdoing against SRA. Finally, Plaintiff admits that it has not suffered any tax liability. In fact, Plaintiff is in active negotiations with the IRS to correct any problems vis-à-vis the Plans, which may eliminate any supposed damages. The court has ordered the action stayed while Plaintiff completes its negotiations with the IRS.

### **Item 10 – Other Financial Industry Activities and Affiliations**

Strategic Retirement Advisors is not actively engaged in a business other than giving investment advice. Our principal business involves providing investment advice to clients. We do, from time to time, assist clients with life insurance and variable annuity questions they may have. Based on this advice, clients may choose to change their variable annuity or similar annuity contract to a fee only alternative that we may suggest to them. We are not affiliated with any insurance company and do not receive commissions associated with any insurance product.

Compensation here may take the form of an hourly rate or similar flat-fee arrangement. We do receive compensation based on assets managed under the fee-only annuity.

Strategic Retirement Advisors does not have any arrangements, oral or in writing, where it:

- is paid cash by or receives some economic benefit (including commissions, equipment or nonresearch services) from a non-client in connection with giving advice to clients
- directly or indirectly compensates any person for client referrals

### **Item 11 – Code of Ethics**

Strategic Retirement Advisors has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Strategic Retirement Advisors must acknowledge the terms of the Code of Ethics annually, or as amended.

Strategic Retirement Advisors partners and employees will, from time to time, invest in the same securities it recommends to clients. These transactions represent a negligible fraction of the volume in these securities and should in no way influence the price movement of such securities. The timing of client purchases or sales is in no way related to the investment timing of our personal investments or existing ownership in these investments. Still, our policy is to invest client assets in such securities prior to our own investments in the same security to avoid any conflict of interest. Each client situation is different and the timing of investment purchases and rebalancing is first and foremost a function of that client's time horizon and risk tolerance. Client portfolios are not intended to match our personal investment or retirement accounts.

Owning some of the same investments as our clients conveys a sense of "putting our money where our mouth is." We firmly believe this aligns our interests with that of clients. Our focus is sharpened by sharing the risk/return potential on certain investments with our customers. Clients are encouraged to ask about our ownership interest in any security.

Strategic Retirement Advisors has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Strategic Retirement Advisors must acknowledge the terms of the Code of Ethics annually, or as amended.

Strategic Retirement Advisors anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Strategic Retirement Advisors has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Strategic Retirement Advisors its affiliates and/or clients, directly or indirectly, have a position of interest. Strategic Retirement Advisor's employees and persons associated with Strategic Retirement Advisors are required to follow Strategic Retirement Advisor's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Strategic Retirement Advisors and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Strategic Retirement Advisor's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Strategic Retirement Advisors will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing advisors to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Strategic Retirement Advisors' clients. In addition, the Code restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that advisors might benefit from market activity by a client in a security held by an advisor. Advisor trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between SRA and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Strategic Retirement Advisors' obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Strategic Retirement Advisors will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Strategic Retirement Advisors' clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Brent Mick at (888) 234-6425 or Jeff Miller at (916) 248-3619.

It is Strategic Retirement Advisor's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Strategic Retirement Advisors will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person

controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### Recommendation of Custodian[s]

SRA does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the “Custodian”) to safeguard Client assets and authorize SRA to direct trades to the Custodian as agreed in the investment advisory agreement and the account documents required for said Custodian.

Further, SRA does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where SRA does not exercise discretion over the selection of the Custodian, SRA will typically recommend the Custodian[s] to Clients for custody and execution services. Clients are not obligated to use the Custodian and depending on their choice may not be a good fit for SRA if they have special requirements. SRA may recommend the Custodian based on criteria such as, but not limited to,

Reasonableness of commissions charged to the Client, services made available to the Client, reputation and/or

Location of the Custodian’s offices.

The Advisor participates in the Fidelity Institutional program. Fidelity Institutional is a division of Fidelity Investments, Inc., member FINRA/SIPC. Fidelity is an independent and unaffiliated SEC registered broker-dealer. Fidelity offers to independent investment Advisors services, which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from Fidelity through its participation in the program.

SRA may also recommend that Clients establish their account[s] at T. Rowe Price, Inc. (“T Rowe”), a FINRA-registered broker-dealer and member SIPC. T Rowe will serve as the Client’s “qualified custodian”. SRA maintains an institutional relationship with T Rowe, whereby the Advisor receives economic benefits from T Rowe (Please see Item 14 below.)

Following are additional details regarding the brokerage practices of the Advisor:



1. Soft Dollars - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. SRA does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the SRA does receive economic benefits from Fidelity and T Rowe. Schwab and TD Ameritrade.

Please see Item 14.

2. Brokerage Referrals - SRA does not receive any compensation from any third party in connection with the recommendation for establishing an account.

3. Directed Brokerage - All Clients are serviced on a “directed brokerage basis”, where SRA will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). SRA will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

#### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. SRA will execute its transactions through the Custodian as directed by the Client. SRA may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

SRA receives no soft dollar benefits as we do not direct trades to different broker dealers nor do we have negotiated commission rate schedules.

Clients authorize standard discount commission rates when establishing an account. Strategic Retirement Advisors will not make the following determinations for clients:

- broker or dealer to be used
- commission rates paid

Strategic Retirement Advisors receives prior authorization for each investment custodian used for client accounts. We utilize third party custodians to segregate and maintain client assets,

independently, from our firm. Each custodian maintains a flat-fee platform for discount purchases of:

- stocks
- bonds
- mutual funds
- other securities

Strategic Retirement Advisors does not receive any compensation for utilizing the brokerage services of our custodians. Although each custodian provides basic market data and research, this is not related to any commission arrangement with the custodian. We do not suggest brokers to clients for completing transactions. Instead, we simply utilize the bundled offering of the custodian at the best available commission rate.\

### **Item 13 – Review of Accounts**

Accounts are reviewed by Brent Mick or Jeff Miller. All reviews are either conducted or supervised by Brent Mick or Jeff Miller. The frequency of reviews is determined by client interest or a change in client goals expressed by the client. Clients can and do request “phone appointments” to set aside a focused time to explore strategy and questions when an office appointment is less practical. More frequent reviews may also be triggered by a change in client's investment objectives, tax considerations, large deposits or withdrawals, large sales or purchases, loss of confidence in corporate management, or, changes in macro-economic climate.

Client will advise us in writing of any restrictions placed on the management of the account as well as any changes to the Client's financial circumstances that are relevant to the management of the account. To provide our services, SRA is relying on the financial and other information that the client will provide to us.

Investment advisory clients receive standard account statements from the independent custodian of their accounts at least quarterly. Clients may access current account values anytime via internet access. This access includes the ability to review historical time periods and review and save historical statements and tax forms. Their online access also summarizes the client's asset allocation. Clients may request reports by eDelivery or in written form. As a rule, clients will also receive monthly statements from their account custodian, which will outline the client's current positions and current market value.

## **Item 14 – Client Referrals and Other Compensation**

SRA welcomes client referrals. However, SRA does not provide any compensation or referral arrangement to any individual or third parties who refer prospects to us. Instead, we hope that referrals come from satisfied clients of our firm.

As described above, SRA receives certain benefits from custodial relationships. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors. Some of the products and services made available by Fidelity and/or T Rowe Price through the program may benefit the Advisor but may not benefit its Client accounts. These products or services may assist the Advisor in managing and administering Client accounts, including accounts not maintained at their current custodian. Other services made available by custodians are intended to help the Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to said custodians. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of a custodian for custody and brokerage services over one that does not furnish similar software, systems support, or services.

## **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Strategic Retirement Advisors urges you to carefully review such statements for each reporting period. We have no custody of client funds. All client assets are held at a qualified third party custodian, which is the official record of your investment activity. Internet access and toll free numbers are available to confirm your most recent account balances and historical activity. Separate account statements will not be issued by Strategic Retirement Advisors.

## **Item 16 – Investment Discretion**

Strategic Retirement Advisors may receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Clients may revise this authority at any time and generally participate in allocation decisions. Clients agree to inform us of any changes to discretionary authority previously granted.

When selecting securities and determining amounts, Strategic Retirement Advisors observes the stated investment objective and restrictions stated by the clients for which it advises. SRA's trading of account positions and securities may also be limited by tax considerations that favor the holding of investments once made. This avoids unnecessary taxable events that clients may wish to avoid. Discretionary authority is not meant to suggest an active trading approach to account management. Many clients will prefer SRA's use of index funds and similar low-fee vehicles meant to be held over long periods. Investment guidelines and restrictions must be provided to SRA. Clients may grant non-discretionary authority to us. Non-discretionary authority suggests client verbal or written approval of the investment decisions on the account. As noted above, clients may provide verbal or written direction as needed regarding the investment decisions on their account.

## **Item 17 – Voting Client Securities**

SRA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor may assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting. Clients should, however, expect to direct proxy questions to the issuer of the security.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Strategic Retirement Advisor's financial condition. SRA does not require nor solicit prepayment of more than \$1,200 in fees for any client six months or more in advance and therefore is not required to include a balance sheet with this brochure. Strategic Retirement Advisors has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients. SRA has never been the subject of a bankruptcy petition. All funds are held with third party independent custodians which offer regular statements, daily internet access and full toll-free phone service regarding your investment account.

### **Item 19 – Requirements for State-Registered Advisers**

The education and business background for SRA's two principals are supplied on the Form ADV and Item 4 above in this document.

SRA is not involved in any other business other than providing investment advice.

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

Brochure Supplements are not included here since SRA, LLC has no supervised persons who provide advisory services to clients. SRA has two principals with no IARs.