

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

OMB APPROVAL

OMB Number: 3235-0049

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Name of Investment Adviser:

**Sterling Financial Advisors, LLC**

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code Telephone Number

**1330 Broadcasting Road****Wyomissing****PA****19610-  
6008****610 376-9561**

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential Persons who are not to respond to the collection of information contained in this form are not  
required to respond unless the form displays a currently valid OMB control number.

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

**Applicant:**

- |   |             |
|---|-------------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services  | <b>35</b> % |
| <input checked="" type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services  | <b>40</b> % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above                                    | <b>35</b> % |
| <input checked="" type="checkbox"/> (4) Issues periodicals about securities by subscription   | <b>15</b> % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above  | <b>40</b> % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ %     |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities                                   | _____ %     |
| <input type="checkbox"/> (8) Provides a timing service  | <b>10</b> % |
| <input type="checkbox"/> (9) Provides a timing service  | _____ %     |
| <input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above  | _____ %     |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?

Yes No  
☒ ☐

C. Applicant offers investment advisory services for: (check all that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges                               | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of Clients** -- Applicant generally provides investment advice to: (check those that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals                      | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions                | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies                        | <input type="checkbox"/> G. Other (describe on Schedule F)   |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**3. Types of Investments** Applicant offers advice on the following: (check those that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> A. Equity securities                   | <input type="checkbox"/> H. United States governmental securities   |
| <input type="checkbox"/> (1) exchange-listed securities         |   |
| <input type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on:                   |
| <input type="checkbox"/> (3) foreign issuers                    | <input type="checkbox"/> (1) securities                             |
|   | <input type="checkbox"/> (2) commodities                            |
| <input type="checkbox"/> B. Warrants                            |   |
| <input type="checkbox"/> C. Corporate debt securities           | <input type="checkbox"/> J. Futures contracts on:                   |
| (other than commercial paper)                                   | <input type="checkbox"/> (1) tangibles                              |
| <input type="checkbox"/> D. Commercial paper                    | <input type="checkbox"/> (2) intangibles                            |
| <input type="checkbox"/> E. Certificates of deposit             |   |
| <input type="checkbox"/> F. Municipal securities                | <input type="checkbox"/> K. Interests in partnerships investing in: |
|   | <input type="checkbox"/> (1) real estate                            |
| <input type="checkbox"/> G. Investment company securities:      | <input type="checkbox"/> (2) oil and gas interests                  |
| <input type="checkbox"/> (1) variable life insurance            | <input type="checkbox"/> (3) other (explain on Schedule F)          |
| <input type="checkbox"/> (2) variable annuities                 |   |
| <input type="checkbox"/> (3) mutual fund shares                 | <input type="checkbox"/> L. Other (explain on Schedule F)           |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> (1) <input type="checkbox"/> Charting    | <input type="checkbox"/> (4) <input type="checkbox"/> Cyclical                      |
| <input type="checkbox"/> (2) <input type="checkbox"/> Fundamental | <input type="checkbox"/> (5) <input type="checkbox"/> Other (explain on Schedule F) |
| <input type="checkbox"/> (3) <input type="checkbox"/> Technical   |   |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> (1) <input type="checkbox"/> Financial newspapers and magazines    | <input type="checkbox"/> (5) <input type="checkbox"/> Timing services   |
| <input type="checkbox"/> (2) <input type="checkbox"/> Inspections of corporate activities   | <input type="checkbox"/> (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| <input type="checkbox"/> (3) <input type="checkbox"/> Research materials prepared by others | <input type="checkbox"/> (7) <input type="checkbox"/> Company press releases  |
| <input type="checkbox"/> (4) <input type="checkbox"/> Corporate rating services             | <input type="checkbox"/> (8) <input type="checkbox"/> Other (explain on Schedule F)   |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> (1) <input type="checkbox"/> Long term purchases (securities held at least a year) | <input type="checkbox"/> (5) <input type="checkbox"/> Margin transactions   |
| <input type="checkbox"/> (2) <input type="checkbox"/> Short term purchases (securities sold within a year)  | <input type="checkbox"/> (6) <input type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies |
| <input type="checkbox"/> (3) <input type="checkbox"/> Trading (securities sold within 30 days)              | <input type="checkbox"/> (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| <input type="checkbox"/> (4) <input type="checkbox"/> Short sales   |   |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**5. Education and Business Standards.**

Yes No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....

☒ ☐

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

**7. Other Business Activities.** (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |   |   |
|---|---|
| <input type="radio"/> (1) broker-dealer   | <input checked="" type="radio"/> (7) accounting firm                            |
| <input type="radio"/> (2) investment company  | <input type="radio"/> (8) law firm  |
| <input checked="" type="radio"/> (3) other investment adviser   | <input checked="" type="radio"/> (9) insurance company or agency                |
| <input type="radio"/> (4) financial planning firm   | <input type="radio"/> (10) pension consultant                                   |
| <input type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="radio"/> (11) real estate broker or dealer                         |
| <input type="radio"/> (6) banking or thrift institution   | <input type="radio"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

Yes No

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?...

☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**9. Participation of Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☐ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

**10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No

☐ ☐

(If yes, describe on Schedule F.)

**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggers factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**See Schedule F**

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

**See Schedule F**

**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  |                       |                       |
|--|-----------------------|-----------------------|
| (1) securities to be bought or sold? .....               | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? ..... | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? .....                   | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? .....                         | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |

B. Does applicant or a related person suggest brokers to clients? ..... ☐ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                       |                       |
|---|-----------------------|-----------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                   | No                    |
|   | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                   | No                    |
|   | <input type="radio"/> | <input type="radio"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... ☐ Yes ☐ No

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
<b>Sterling Financial Advisors, LLC</b>	801- 69356	03/01/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Sterling Financial Advisors, LLC</b>	IRS Empl. Ident. No.: 23-2987972
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Item of Form (identify)	Answer
1.D	<p><b><u>ADVISORY SERVICES</u></b></p> <p><b>INTRODUCTION:</b></p> <p>Sterling Financial Advisors, LLC (hereinafter "SFA") offers the following advisory services, where appropriate, to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, endowments, foundations, corporations and other business entities.</p> <p><b>SEI PROGRAM:</b></p> <p>SFA offers the SEI Program (the "Program"), sponsored by SEI Investments Management Corporation's ("SIMC"), to advisory clients. SIMC is an unaffiliated registered investment adviser company. In this program, SIMC provides advisory services to SFA involving the structure and design of asset allocation portfolios for the advisory client. Asset allocation portfolios within the Program include the use of SIMC approved managers (unaffiliated with SFA) and SIMC mutual funds.</p> <p>Clients should understand that SFA does not have "Investment Discretion" in the SEI Program meaning: the authority to make trades in a client's account without the client's prior approval) with regard to any client account or advisory service offered by SFA. Additionally, nothing in any documentation and/or agreement offered to clients participating in the SEI Program (hereinafter the "Program"), sponsored by SEI Investments Management Corporation (hereinafter "SIMC"), should be construed to authorize SFA to have any such "Investment Discretion" with regard to client accounts.</p> <p>SFA will determine the client's current financial situation, financial goals and attitudes towards risk through various analyses and questionnaires. This process will help SFA review the client's situation and enable SFA to recommend an initial asset allocation based on the client's specific needs and goals.</p> <p>In determining the initial allocation to be used, SFA will use several model portfolios provided to SFA by SIMC. SFA will, if appropriate, suggest modifications to these models to more adequately address the client's individual needs. The client may place reasonable restrictions on the nature of the investments held in the portfolio or the allocation among the various classes of investments, and SFA will assist the client in understanding and evaluating the potential impact of these restrictions on the model portfolios.</p> <p>Once the client's asset allocation has been established, the portfolio will be implemented using the managers and mutual funds approved/advised by SIMC. In certain circumstances, clients may include mutual funds and/or other investments not approved/advised by SIMC in their portfolio. SFA will assist the client in choosing the manager(s) and/or mutual funds for the management of the client's portfolio.</p> <p>SIMC selects the investment managers of the underlying mutual funds. SIMC utilizes institutional</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 1

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Sterling Financial Advisors, LLC</b>	SEC File Number:  801- 69356	Date:  03/01/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Sterling Financial Advisors, LLC</b>	IRS Empl. Ident. No.: 23-2987972
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Item of Form (identify)	Answer
	<p>investment management firms. The fund managers are monitored by SIMC to ensure that their investment styles and performance remain consistent with the objectives of the mutual funds.</p> <p>SFA does not "manage" the client's portfolio in the traditional sense. Rather, SFA assists the client with the initial asset allocation, manager and mutual fund selection, and continued monitoring/consulting on the client's portfolio managed by SIMC (or SIMC approved managers) within the Program.</p> <p>Accounts will be monitored quarterly and, when appropriate, SFA will suggest a reallocation of the portfolio based on changing economic conditions or changes in the client's individual circumstances. However, SFA does not have the discretionary authority to effect a reallocation of the client's portfolio without the client's prior approval. After the client has approved the reallocation suggested by SFA, SFA will contact SIMC to effect said reallocation.</p> <p>SIMC has advised SFA that it (i) will review model portfolios quarterly and, when appropriate, recommend changes in the model portfolios, (ii) will automatically reallocate client's portfolio to conform to its model portfolios at the end of each calendar quarter, unless otherwise instructed by SFA and, (iii) will not make any ongoing recommendations for accounts which do not utilize SIMC's model portfolios ("custom portfolios"). Securities in custom portfolios will be reviewed by SFA on a regular basis at predetermined intervals, generally quarterly. SFA will direct SIMC to make any changes to custom portfolios either at client's instruction or with the client's prior approval.</p> <p>Clients may instruct SFA to direct SIMC to automatically rebalance the client's account if any of the asset classes in the account vary from their specified percentage of the client's account by more than two percent (2%) (three percent (3%) in the case of tax-managed accounts). There are no transaction fees associated with rebalancing. Rebalancing occurs on a quarterly basis.</p> <p>Should the client's individual situation change, the client should notify SFA, who will assist the client in revising the current portfolio and/or reevaluate their financial situation to determine if a different model portfolio would be appropriate to the client's new situation.</p> <p>When appropriate to the needs of the client, SFA may recommend the use of SIMC's model portfolio(s), SIMC mutual funds and/or approved managers which employ margin transactions or option writing. Because these investment strategies involve certain additional degrees of risk, said SIMC model portfolio(s), SIMC mutual funds and/or approved managers will only be recommended when consistent with the client's stated tolerance for risk.</p> <p><b><u>FEES</u></b></p> <p>The annual fee for SFA's advisory services offered through the SEI Program (the "Program") will range from 0.25% to 1.25% of assets under management within the Program depending on the nature and complexity of each client's circumstance. This fee may be negotiable in certain circumstances, such as client account size and time required to complete the advisory service. SFA's fee is a fractional portion of the total aggregate fee charged by SIMC for participation in</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 2



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Sterling Financial Advisors, LLC</b>	SEC File Number:  801- 69356	Date:  03/01/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Sterling Financial Advisors, LLC</b>	IRS Empl. Ident. No.: 23-2987972
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Item of Form (identify)	Answer
	<p>the Program. Clients should refer to SIMC's disclosure document for information regarding SIMC's fees within the Program.</p> <p>There is a \$500,000 minimum account size required for this service. Clients will be invoiced in arrears at the end of each calendar quarter based upon the quarter end values (market value or fair market value in the absence of market value. Fees will be prorated for a partial quarter.</p> <p>Under certain circumstances, this minimum account size may be negotiable based on the services requested.</p> <p>If authorized by the client, SIMC will directly debit SFA's advisory fee from the client's custodial account. SIMC will forward the fee to SFA. SIMC will receive certain fees and expenses charged by mutual funds to their shareholder, as well as administrative/custodial fees for servicing the account.</p> <p>SFA's clients authorize the custodian, SEI Private Trust Company, to deduct from their account and pay to SFA, on the submission of a bill, the management fee for each calendar year quarter. SIMC will send to clients a quarterly statement showing the amount of the management fee due, the account value on which the fee is based, and how the fee was calculated. Clients are responsible for verifying fee computations, since custodians are not typically asked to perform this task. The custodian will send clients a monthly statement showing all amounts paid from the account, including all management fees paid by the custodian to SFA.</p> <p><b>INVESTMENT MANAGEMENT SERVICES:</b></p> <p>SFA manages investment portfolios for individuals, qualified retirement plans, trusts, and small businesses. SFA will work with the client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement. SFA evaluates the client's existing investments with respect to the client's investment policy statement. SFA works with new clients to develop a plan to transition from the client's existing portfolio to the desired portfolio. SFA will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold regular review meetings with the client regarding the account as necessary.</p> <p>SFA will typically create a portfolio of no-load mutual funds, and may use model portfolios if the models match the client's investment policy. SFA will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. SFA primarily recommends portfolios consisting of mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Consequently, the DFA fund fees are generally lower than fees and expenses charged by other types of funds. Client portfolios may also include some individual equity and fixed income securities. SFA has limited authorization from clients to issue trading instructions on behalf of the client.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 3

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Sterling Financial Advisors, LLC</b>	SEC File Number:  801- 69356	Date:  03/01/2010
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Item of Form (identify)	Answer
	<p><b><u>FEES</u></b></p> <p>The annual fee for investment management services will be charged as a percentage of assets under management, ranging from 0.25% to 1.25%, depending on the nature and complexity of the services rendered for each client. SFA will quote an exact percentage to each client based on both the nature and total dollar value of that account. Account fees may be negotiable under certain circumstances.</p> <p>There is a \$500,000 minimum account size required for this service. Under certain circumstances, this minimum account size may be negotiable based on the services requested.</p> <p>Clients will be billed in arrears at the end of each calendar quarter based upon the quarter end values (market value or fair market value in the absence of market value) of the client's account during the previous quarter. Fees will be prorated for a partial quarter. Client may request a quarterly invoice showing the amount of our fees, the account value on which we based our fees, and how the fees are calculated. Client shall be responsible for verifying the accuracy of the Fee calculation - Custodian shall not determine whether the Fee is calculated properly. Client may instruct Custodian to pay the Fee directly to the Adviser or the Client may request to be invoiced directly for the payment of the Fee.</p> <p><b>PENSION CONSULTING SERVICES:</b></p> <p>SFA also provides several advisory services separately or in combination. Selection and Monitoring Services are comprised of four distinct services. Clients may choose to use any or all of these services.</p> <p><u>Investment Policy Statement Preparation (hereinafter referred to as "IPS"):</u></p> <p>SFA will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. SFA will then prepare a written IPS stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.</p> <p><u>Selection of Investment Vehicles:</u></p> <p>SFA will review various investments, consisting of one or all of the following: individual equities, bonds, variable annuity products and mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the Investment Policy Statement.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Sterling Financial Advisors, LLC</b>	SEC File Number:  801- 69356	Date:  03/01/2010
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Item of Form (identify)	Answer
	<p><u>Monitoring of Investment Performance:</u></p> <p>Client investments will be monitored continuously based on the procedures and timing intervals delineated in the Investment Policy Statement. Although SFA will not be involved in any way in the purchase or sale of these investments, SFA will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.</p> <p><u>Employee Communications and Education:</u></p> <p>For pension, profit sharing and 401(k) plan clients wherein there are individual accounts with participants exercising control over assets in their own account ("self-directed plans"), SFA also provides periodic educational support and investment workshops designed for the Plan participants. The nature of the topics to be covered will be determined by SFA and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.</p> <p><b><u>FEES</u></b></p> <p>Fees for specific Pension Consulting Services including Selection and Monitoring Services will be charged in one of the ways listed below, upon mutual agreement with the client:</p> <p>1. % of assets of the plan: As a percentage of assets of the plan receiving advisory services, ranging from 0.25% to 1.25%, depending on the nature and complexity of the services rendered for each client. SFA will quote an exact percentage to each client based on both the nature and total dollar value of that account.</p> <p>Under this billing arrangement, clients will be invoiced in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's plan assets receiving advisory services at the end of the previous quarter; or</p> <p>2. Hourly fee: On an hourly basis, ranging from \$65 to \$270 per hour, depending on the nature and complexity of each client's circumstances, and shall be due and payable as earned.</p> <p><b>FINANCIAL PLANNING:</b></p> <p>SFA also provides advice in the form of a Financial Plan. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.</p> <p>In general, the financial plan will address any or all of the following areas of concern:</p>

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

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	<p>- PERSONAL: Family records, budgeting, personal liability, estate information and financial goals.</p> <p>- TAX &amp; CASH FLOW: Income tax and spending analysis and planning for past, current and future years. SFA will illustrate the impact of various investments on a client's current income tax and future tax liability.</p> <p>- DEATH &amp; DISABILITY: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.</p> <p>- RETIREMENT: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.</p> <p>- INVESTMENTS: Analysis of investment alternatives and their effect on a client's portfolio.</p> <p>SFA gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report is prepared. Should a client choose to implement the recommendations contained in the plan, SFA suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.</p> <p><b>CONSULTING:</b></p> <p>Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, tax consulting, or any other specific topic. SFA also provides specific consultation and administrative services regarding investment and financial concerns of the client.</p> <p>Additionally, SFA provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.</p> <p>As individuals of SFA are insurance agents of various insurance companies, recommendations made in financial plans include those products offered by these companies. If a product is not offered through these companies, other companies offering the product will be recommended.</p> <p><b><u>FEES</u></b></p> <p>Financial planning and consulting fees will be charged in one of three ways:</p> <p>1. As a fixed fee, typically ranging from \$500 to \$50,000, depending on the nature and complexity of each client's circumstances. 50% of this fee may be due upon signing the financial planning agreement, with the balance due upon presentation of the financial plan or consulting</p>

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	<p>work to the client.</p> <p>2. On an hourly basis, ranging from \$65 to \$270 per hour, depending on the nature and complexity of each client's circumstances, as well as the individual conducting the work. If appropriate, an estimate for total hours may be determined at the start of the advisory relationship. 50% of the estimated fee may be due upon signing the advisory agreement, with the balance due upon presentation of the plan to the client.</p> <p>3. Under certain circumstances, if the client contracts with SFA for regular consulting work, SFA will invoice the client monthly in arrears for fees due.</p> <p>Typically the financial plan will be presented to the client within 90 days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.</p> <p><b><u>GENERAL INFORMATION ON FEES AND SERVICES</u></b></p> <p><b><i>Negotiability:</i></b> In certain circumstances, all of SFA's fees and account minimums may be negotiable based on account size and the services requested.</p> <p><b><i>Fee calculation:</i></b> The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (SEC Rule 205(a)(1)).</p> <p><b><i>Termination of relationship:</i></b> A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.</p> <p><b><i>Mutual Funds:</i></b> All fees paid to SFA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholder. These fees and expenses are described in each fund's prospectus. These fees will generally include a</p> <p>management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge to the fund company. A client could invest in a mutual fund directly, without the services of SFA. In that case, the client would not receive the services provided by SFA which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by SFA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.</p>

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3.L, 4.A(5), 4.B(8) & 4.C(7)	<p><b><i>Proxy Disclosure:</i></b> As a matter of firm policy and practice, SFA does not accept the 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, however, may provide advice to clients regarding the clients' voting of proxies.</p> <p><b><i>Direct debiting of advisory fees:</i></b> Unless otherwise agreed, Client accounts will be directly debited quarterly in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value) of the Client's account at the end of the quarter. Fees will be prorated for a partial quarter. Client will grant direct debiting authority to the Adviser in their respective advisory agreements. Clients will receive at least quarterly statements from their custodian, reflecting the amount of the fees debited by the Adviser.</p> <p><b><u>TYPES OF INVESTMENTS, METHODS OF ANALYSIS, SOURCES OF INFORMATION AND INVESTMENT STRATEGIES</u></b></p> <p>Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to those items under Item 3 of Form ADV, Part II.</p> <p>Clients participating in the SEI Program (the "Program") should refer to SIMC's disclosure document for more information on the types of investments, security analysis methods, sources of information, and investment strategies utilized in providing advisory services to SFA's clients participating in the Program.</p> <p>In addition to the sources of information indicated in Item 4.B of SFA's Form ADV Part II, page 3; SFA will utilize other sources of information, such as Morningstar on-line services and/or other electronic sources of information as may be appropriate and/or available.</p>

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5.	<p><b><u>EDUCATION AND BUSINESS STANDARDS</u></b></p> <p>Advisory persons associated with SFA must possess, minimally, a college degree, at least six years of financial industry experience, and all required licenses.</p>
6.	<p><b><u>EDUCATION AND BUSINESS BACKGROUND</u></b></p> <p><b>JAMES R. HOUCK</b> BORN: 1950</p> <p>Bachelor of Science in Business and Economics Lehigh University - 1972</p> <p>Certified Public Accountant (1977) CA-012017-L Commonwealth of Pennsylvania</p> <p>11/05 - Present President Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>01/05 - Present CPA and Partner Reinsel Kuntz Leshner LLP Wyomissing, PA</p> <p>08/79 - 12/04 CPA and Partner Reinsel &amp; Company LLP Wyomissing, PA</p>

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Item of Form (identify)	Answer
	<p><b>CHRISTOPHER A. ZAVECZ</b> BORN: 1972</p> <p>Bachelor of Science in Mathematics The Pennsylvania State University - 1995</p> <p>CFP(R) Certificant - 2000</p> <p>06/03 - Present Senior Financial Planner Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>10/03 - Present Investment Adviser Representative Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>02/96 - 12/02 Senior Financial Planning Analyst Andesa Corporation Allentown, PA</p>

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Item of Form (identify)	Answer
	<p><b>RICHARD S. WALDRON</b> BORN: 1951</p> <p>Bachelor of Arts in History Albright College - 1973</p> <p>Masters of Arts in Education Colgate University - 1980</p> <p>01/07 - Present Investment Adviser Representative Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>05/06 - 12/06 Registered Representative Investment Adviser Representative Geneos Wealth Management, Inc. Denver, CO</p> <p>01/06 - 06/06 Investment Adviser Representative Kuntz Leshner Capital LLC Lancaster, PA</p> <p>05/87 - 01/06 Financial Advisor Legg Mason, Wood, Walker, Inc. Lancaster, PA</p> <p>09/84 - 05/87 Financial Advisor W. H. NewBold's &amp; Son Philadelphia, PA</p> <p>09/81 - 09/84 Financial Advisor Paine Webber, Inc. Philadelphia, PA</p> <p>09/75 to 09/81 High School Teacher Manheim Central School District Manheim, PA</p>

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Item of Form (identify)	Answer
	<p><b>LAURIE M. PEER</b> BORN: 1965</p> <p>Bachelor of Science in Accountancy The Pennsylvania State University - 1987</p> <p>Certified Public Accountant (2001) CA-026201-L Commonwealth of Pennsylvania</p> <p>CFP(R) Certificant - 2001</p> <p>01/07 - Present Investment Adviser Representative Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>12/08 - Present CPA and Principal Tax Services Reinsel Kuntz Leshner LLP Wyomissing, PA</p> <p>01/05 - 11/08 CPA and Manager Tax Services Reinsel Kuntz Leshner LLP Wyomissing, PA</p> <p>11/92 - 12/04 CPA and Manager Tax Services Reinsel &amp; Company LLP Wyomissing, PA</p>

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	<p><b>STEPHANIE A. CONNERTON</b> BORN: 1958</p> <p>Bachelor of Science in Microbiology The Pennsylvania State University 1980</p> <p>01/07 - Present Chief Compliance Officer / Chief Operating Officer Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>01/05 - Present Operations Manager Sterling Financial Advisors, LLC Wyomissing, PA</p> <p>04/04 - 12/04 Investment Adviser Representative Leesport Wealth Management Wyomissing, PA</p> <p>04/04 - 12/04 Registered Representative SunAmerica Securities, Inc. Phoenix, AZ</p> <p>06/95 - 03/04 Compliance and Operations Manager The Giles Financial Group Wyomissing, PA</p> <p>06/95 - 03/04 Registered Representative and Principal/Registered Investment Adviser Representative Walnut Street Securities, Inc. St. Louis, MO</p>

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7.C, 8.C(3), 8.C(7), 8.C(9), 9.B, 9.D	<p><b><u>OTHER BUSINESS ACTIVITIES AND OTHER FINANCIAL SERVICES INDUSTRY ACTIVITIES OR AFFILIATIONS</u></b></p> <p>SFA is a wholly-owned entity of Reinsel Kuntz Leshner LLP, a certified public accounting and consulting firm.</p> <p>Certain persons associated with SFA are also licensed CPAs for the accounting firm of Reinsel Kuntz Leshner LLP (hereinafter "RKL"). RKL may recommend SFA to accounting clients in need of advisory services. SFA may recommend RKL to advisory clients in need of accounting services. Accounting services provided by RKL are separate and distinct from the advisory services of SFA, and are provided for separate and typical compensation.</p> <p>No SFA client is obligated to use RKL for any accounting services. RKL's accounting services do not include the authority to sign checks or otherwise disburse funds on any SFA advisory client's behalf. SFA shares office space, support staff, supplies, and electronic and administrative support infrastructure with RKL.</p> <p>SFA is under common ownership with an affiliated registered investment adviser, Kuntz Leshner Capital LLC. There are no referral fee arrangements between SFA and Kuntz Leshner Capital LLC. No fees are exchanged directly between SFA and Kuntz Leshner Capital LLC, as no Kuntz Leshner Capital LLC advisory client is obligated to use the advisory services of SFA.</p> <p>SFA is under common ownership and control with Reinsel Kuntz Leshner Financial Services LLC (RKLFS), a licensed insurance agency. RKLFS offers various insurance products. Associated persons of SFA may be separately licensed as insurance agents for Reinsel Kuntz Leshner Financial Services LLC, and may recommend insurance products to SFA clients. In their capacities as insurance agents, these individuals are able to implement recommended insurance transactions for advisory clients for separate and typical commission compensation. Clients, however, are not under any obligation to engage these individuals when considering implementation of recommendations. The implementation of any or all recommendations is solely at the discretion of the client.</p> <p>While these individuals endeavor at all times to put the interest of the clients' first as part of SFA's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.</p> <p>Christopher A Zavec, CFP(R), Richard S. Waldron and Stephanie A. Connerton will spend virtually all of their time on SFA's advisory services. Individuals associated with SFA that are licensed CPAs for the accounting firm of Reinsel Kuntz Leshner LLP will spend 50% of their time on SFA's advisory services and 50% of their time on accounting firm business.</p>

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9.E	<p><b><u>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</u></b></p> <p>SFA or persons associated with SFA may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.</p> <p>It is the expressed policy of SFA that no person employed by SFA may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.</p> <p>As these situations represent a conflict of interest, SFA has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ol style="list-style-type: none"> <li>1) An officer/member or employee of SFA shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of SFA shall prefer his or her own interest to that of the advisory client.</li> <li>2) SFA maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/member of SFA.</li> <li>3) All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.</li> <li>4) SFA emphasizes the unrestricted right of the client to decline to implement any advice rendered.</li> <li>5) SFA requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.</li> <li>6) Any individual not in observance of the above may be subject to termination.</li> </ol> <p><b><u>CODE OF ETHICS DISCLOSURE:</u></b></p> <p>SFA has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. SFA's Code of Ethics requires high standards of business conduct and compliance with federal and state securities laws. SFA's Code of Ethics stresses that no person employed by SFA shall prefer his/her own interests to those of advisory clients and prohibits the use of material non-public information. To supervise compliance with its Code of Ethics, SFA requires that anyone associated with this advisory practice with access to advisory recommendations, client holdings or other specified information to provide annual securities holdings reports and quarterly transaction reports of all reportable transactions to the firm's Chief Compliance Officer. SFA's</p>

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10.	<p>Code of Ethics also provides for sanctions when appropriate. Clients may obtain a copy of the firm's Code of Ethics upon request by contacting Stephanie Connerton, Chief Compliance Officer.</p> <p><b><u>CONDITIONS FOR MANAGING AN ACCOUNT</u></b></p> <p>SFA requires a minimum account of \$500,000 for participation in the SEI Program (the "Program") and Investment Management Services. Under certain circumstances, the minimum account size may be negotiable based on the services requested.</p> <p>Please refer to Item 1.D of this Schedule F narrative for complete detail.</p>
11.A	<p><b><u>REVIEWS AND REVIEWERS OF ACCOUNTS</u></b></p> <p><b>SEI PROGRAM:</b></p> <p>SFA will review client accounts participating in the SEI Program (the "Program") with the Client on a quarterly, semi-annual or annual basis, as requested by the client.</p> <p><b>INVESTMENT MANAGEMENT SERVICES:</b></p> <p>Account assets are supervised continuously and formally reviewed quarterly by SFA. The review process contains each of the following elements:</p> <ul style="list-style-type: none"> <li>a. assessing client goals and objectives;</li> <li>b. evaluating the employed strategy(ies);</li> <li>c. monitoring the portfolio(s); and</li> <li>d. addressing the need to rebalance.</li> </ul> <p>Additional account reviews may be triggered by any of the following events:</p> <ul style="list-style-type: none"> <li>a. a specific client request;</li> <li>b. a change in client goals and objectives;</li> <li>c. an imbalance in a portfolio asset allocation; and</li> <li>d. market/economic conditions.</li> </ul> <p><b>SELECTION AND MONITORING SERVICES:</b></p> <p>SFA will review these client accounts on a quarterly basis as well as meet with each client annually.</p>

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11.B	<p><b>FINANCIAL PLANNING &amp; CONSULTING:</b></p> <p>These accounts will be reviewed as contracted for at the inception of the advisory relationship.</p> <p><b>REGULAR REPORTS PROVIDED TO CLIENTS</b></p> <p><b>SEI PROGRAM:</b></p> <p>Clients will receive monthly or quarterly statement of value and transactions and quarterly performance reports from SIMC. SFA may provide monthly or quarterly performance reports and a consolidated annual performance report to these clients.</p> <p><b>INVESTMENT MANAGEMENT SERVICES:</b></p> <p>Clients will receive monthly and/or quarterly statements and confirmations from their respective broker-dealer(s) and/or custodian(s). SFA will provide reports as contracted for at the inception of the advisory relationship, which may include a monthly or quarterly performance report and/or a consolidated annual performance report.</p> <p><b>PENSION CONSULTING SERVICES:</b></p> <p>SFA may provide these accounts with quarterly performance reports and a consolidated annual performance report.</p>
12.A(1) & 12.A(2)	<p><b>FINANCIAL PLANNING &amp; CONSULTING:</b></p> <p>These clients will receive reports as contracted for at the inception of the advisory relationship.</p> <p><b>INVESTMENT DISCRETION</b></p> <p>Sterling Financial Advisors, LLC does not exercise discretion in managing clients assets. Sterling Financial Advisors, LLC is related to Kuntz Leshner Capital LLC, a registered investment adviser, by virtue of common ownership. Kuntz Leshner Capital LLC has discretionary authority when managing clients assets.</p>
12.B	<p><b>DIRECTED BROKERAGE &amp; BROKERAGE RECOMMENDATION</b></p> <p><b>SEI PROGRAM:</b></p> <p>In order to participate in the SEI Program (the "Program"), clients are required to use SEI Investments Distribution Company ("SIDCO"), a FINRA registered broker dealer, for the placement of all trades and as the client's broker dealer. SEI Private Trust Company, a subsidiary of SEI</p>

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Item of Form (identify)	Answer
13.A	<p>Corporation, acts as transfer agent and custodian for Program accounts and the client's account will therefore be maintained at SEI Private Trust Company.</p> <p>In recommending the Program and the use of SIDCO and SEI Private Trust Company, SFA has considered those companies' ability to provide professional services and their reputation, quality of execution and the cost of their services, among other factors. SFA recommends that the client investigate and evaluate SIDCO and SEI Private Trust Company before opening the account.</p> <p>In directing the use of a particular broker dealer and/or custodian, it should be understood that SFA will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.</p> <p><b>INVESTMENT MANAGEMENT SERVICES</b></p> <p>SFA may recommend one of several broker dealers to advisory clients. Recommended brokers include Charles Schwab &amp; Company. Other brokers may be recommended for custody of plan and participant assets for retirement plans such as 401(k) and profit sharing plans.</p> <p>SFA participates in the Schwab Institutional ('SI') services program offered to independent investment advisers by Charles Schwab &amp; Company, Inc., a FINRA registered broker dealer. As part of the SI program, SFA receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 13.A. of this Schedule F narrative).</p> <p>As SFA does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, clients must direct SFA as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that SFA will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.</p> <p><b>ADDITIONAL COMPENSATION</b></p> <p>Although not a material consideration when determining whether to recommend that a client utilize the services of SIMC, SFA may receive from SIMC, without cost, software and support, which allows SFA to better monitor and service client accounts maintained at SIMC. SFA may receive the software and support without cost, because SFA renders investment management services to clients that maintain accounts at SIMC, whose aggregate total assets at SIMC exceed the established minimum required for an investment manager to receive software and support without cost.</p> <p>While these individuals endeavor at all times to put the interest of the clients first as part of SFA's fiduciary duty, clients should be aware that the receipt of additional compensation itself</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 18



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Sterling Financial Advisors, LLC</b>	SEC File Number:  801- 69356	Date:  03/01/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Sterling Financial Advisors, LLC</b>	IRS Empl. Ident. No.: 23-2987972
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Item of Form (identify)	Answer
13.B	<p>creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.</p> <p>SI provides SFA with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them. The services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.</p> <p>SI makes available to SFA other products and services that benefit SFA but may not benefit its clients' accounts. Some of these other products and services assist SFA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of SFA's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of SFA's accounts. Recommended brokers also make available to SFA other services intended to help SFA manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. SFA does not, however, enter into any commitments with the broker for transaction levels in exchange for any services or products from broker. While as a fiduciary, SFA endeavors to act in its clients' best interests, SFA's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to SFA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.</p> <p><b>CLIENT REFERRALS</b></p> <p>SFA may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. SFA is aware of the special considerations promulgated under 64 Pa. Code Section 404.012. As such, appropriate disclosure shall be made, all written instruments will be maintained by SFA and all applicable federal and/or state laws will be observed.</p> <p>SFA indirectly and directly compensates the partners of Reinsel Kuntz Leshner LLP for client referrals. The indirect compensation is in the form of increased profitability, which is allocated to those individuals subject to the partnership agreement of Reinsel Kuntz Leshner LLP. The direct compensation is a percentage typically ranging from five to ten percent (5% to 10%) of the net investment advisory fee paid by the client. The direct compensation is paid directly to the referring partner. This referral fee does not increase the investment advisory fee paid by the Client.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 19