



# **SRS Capital Advisors, Inc. Form ADV Part 2A Brochure CRD #133535**

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This brochure provides information about the qualifications and business practices of SRS Capital Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at 303-633-5900 or via email at [info@srscap.com](mailto:info@srscap.com). 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.

Additional information about SRS Capital Advisors, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2. Material Changes:**

*This page identifies and discusses any material changes to SRS Capital Advisors, Inc. since the date of last year's brochure filing.*

SRS Capital Advisors, Inc. has undergone the following material changes since our last update on April 4, 2011:

- We have changed our legal name from SRS Capital Advisors, Inc. Asset Management, Inc. to SRS Capital Advisors, Inc.
- We have added two new members of the Board of Directors, Michael P. Riordan and Patrick C. South.
- We have consummated a solicitation arrangement with SRS Investment Services, LLC. All members of SRS Investment Services, LLC are directors and investment advisory representatives of SRS Capital Advisors, Inc.
- Additional information about the solicitation arrangement with SRS Investment Services, LLC is contained in Item 5. Fees and Compensation.

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#### **Item 4. Advisory Business:**

SRS Capital Advisors, Inc. ("Advisor" or "We") is registered under the Investment Advisors Act of 1940 and similar state statutes and has been in business since 2004. Our Principal owners are David A. Simon, Michael P. Riordan, and Patrick C. South.

In general, when acting in our capacity as an investment advisor, we provide individual and institutional investment advisory and financial planning services. These services are provided through discretionary and non-discretionary portfolio management, written comprehensive or modular financial plans, hourly consultations, financial education, seminars, and expert witness services.

#### **Investment Management:**

At SRS Capital Advisors, Inc. we deliver a number of custom-tailored and proprietary investment strategies. Clients may impose reasonable restrictions on investing in certain securities or types of securities. While the investment objective of each strategy is to provide profits, all strategies contain risks and the potential for losses. Below, item 8 explains our methods of analysis, investment strategies and risk of loss. Additional detail regarding all of our proprietary investment strategies is available upon request.

At times, we may provide investment advisory solutions to other institutions and investment advisors. SRS Capital Advisors, Inc., markets the firm's proprietary separately managed account strategies to other investment advisors ("RIAs"). We receive compensation for these services pursuant to an agreement with these RIAs. A full description of the programs and services available and is provided to the client upon receipt and review of the applicable RIA's Form ADV Part 2A and 2B or equivalent brochures, investment advisory agreements, and other account opening documents. The clients of these RIA's sign an investment advisory agreement with their RIA and with us.

#### **Financial Plans/Financial Planning:**

Investment Advisory Representatives ("Associates") of SRS Capital Advisors, Inc. are able to provide comprehensive financial planning solutions through an *Integrated Financial Plan* (IFP). Associates analyze the client's financial and investment situation including, but not limited to: investment portfolio analysis; retirement planning; education planning; estate and wealth transfer planning; insurance planning; cash management planning; and, tax planning considerations. Once an agreed upon plan has been completed our Associate will furnish you with the financial plan. These plans may be comprehensive in nature or simply address one specific "a la carte" need.

In an effort to be able to better provide and implement comprehensive financial planning services, our Associates may also be licensed insurance agents. Associates may be licensed with multiple insurance companies and may sell life insurance, disability insurance, long-term care insurance, annuity, and other insurance products. Associates may also participate in life settlements. In summary, SRS Capital Advisors, Inc. associates may utilize virtually any tool or product necessary to provide objective and comprehensive financial planning. Some of these "other products" entitle the Associate to compensation that is separate from fees received for investment advisory fees and financial planning fees. Associates may recommend securities and/or insurance products to their clients that they own or purchase themselves. This may present a conflict of interest. Some view the ability to receive

commissions on insurance products as a conflict of interest. Others view not being able to be compensated for the implementation of insurance products (and only investment products) as a conflict of interest.

Neither SRS Capital Advisors, Inc. nor its Associates provide legal or tax advice. We make recommendations on a “best efforts” basis but are unable to predict changes in the market or economy. We cannot guarantee that recommendations will result in financial gain for you, the client.

#### Seminars:

Occasionally, our Associates will conduct seminars on investment programs, estate and wealth transfer planning, business planning, insurance products and other financial planning matters. There may, or may not be a cost for attending these seminars. The content of these seminars is general in nature and is geared towards the audience which may be prospective clients, CPA's or attorney's. The concepts presented in the seminars are general and not necessarily specific to the needs and objectives of the individuals attending the seminar.

#### Assets Under Management:

As of December 31, 2011 the firm managed the following (in \$US):

	Amount	# of Accounts
Discretionary:	\$ 89,267,940	443
<u>Non-Discretionary:</u>	<u>\$ 19,297,255</u>	<u>175</u>
<b>Total:</b>	<b>\$ 108,565,195</b>	<b>618</b>

Associates of SRS Capital Advisors, Inc. do have a business continuity plan with the company to ensure seamless transitions of client relationships in the event of an Associate or Principal departure from the firm.

SRS Capital Advisors, Inc. does not participate in any wrap fee programs.

#### Item 5. Fees and Compensation:

For all investment accounts, trading fees and transaction costs are borne by the client. We believe this best keeps our interests aligned with yours. For example, when trading costs are borne by a firm, that firm would have a conflict of interest as it would have incentive not to trade an account in an effort to avoid firm expenses.

For most investment account options fees are deducted by the custodian directly from your account on a quarterly basis. When direct debiting is not available, we send an invoice directly to you or the custodian due in full within 30 days. We instruct each custodian to deduct and pay the applicable fee to SRS Capital Advisors, Inc. We then send a copy of the invoice to the Custodian or Trustee and at the same time send a copy of the invoice to you. The custodian will send copies quarterly to you detailing all disbursements from the custodial account, including the amount of the advisory fee. We obtain advance authorization from you to allow us to be paid fees directly by the custodian.

For the first partial calendar quarter during which you have participated in a SRS Capital Advisors, Inc. investment program, the advisory fees will be billed in arrears, based on a prorated basis as of the date the account is opened and funded. For each calendar quarter thereafter, the fee will be billed in advance based on the value of your account as of the final day of the immediately preceding calendar quarter. Fees may be subsequently adjusted at the end of any calendar quarter to reflect significant additions to, or withdrawals from, the account. Any such adjustments will be made on a pro rata basis during the calendar quarter for which the adjustment is made. These fees are the fees payable to SRS Capital Advisors, Inc.

For most investment account options, fees are not negotiable for accounts under \$5 million dollars. Clients of any investment platform offered through SRS Capital Advisors, Inc. are able to request a full refund of first quarter advisory fees if they present to us in writing, a request to terminate their account within five (5) days of the date the investment account application is signed. Fees incurred from trading activities in the account (such as trading fees incurred to obtain initial account positions and fees incurred to liquidate those holdings upon account termination and any early redemption fees imposed by mutual funds) will not be reimbursed. Any account appreciation or depreciation during the five day period will be borne or kept by the client.

If a client terminates an account before the end of a calendar quarter that has already been billed, the client will receive a refund for any prepaid, unused fees.

The Investment Advisory Agreement may be terminated at any time by either party upon written notice.

Existing clients may have advisory fee schedules that differ from those listed herein and those listed in the most current SRS Capital Advisors, Inc. Investment Advisory Agreement.

We receive compensation for the services provided pursuant to an Investment Advisory Agreement, and pursuant to the authorization on file with the custodian. You authorize in a written agreement with us that you agree to let each custodian deduct and pay us the advisory fee from each of your accounts. This advisory fee is based on the market value of the assets held in each account. Notwithstanding the advisory fee, in no event shall the quarterly account fee be less than \$25 for any account. Unless otherwise agreed upon in writing, fees will be charged on all assets held in each account including, but not limited to: cash; all marketable securities; options; and, restricted stock. One quarter of the applicable annual advisor fee identified below will be deducted quarterly of the total assets under management.

As a condition of participating in our investment programs, you authorize the establishment of a clearing, custodial or other brokerage services relationship with Fidelity Brokerage Services, LLC and National Financial Services, LLC, Members NYSE, SIPC and/or Charles Schwab Investment Services Member NYSE, SIPC. Occasionally, the brokerage account platform (discussed later) may utilize other custodian and clearing services. Separate applicable clearing charges and trading fees will be deducted from the underlying brokerage account. These separate fees and charges are not included in the advisory fees referenced below and are paid to the respective custodian, not SRS Capital Advisors, Inc.

Clients should note that if they choose to participate in any investment platform offered through SRS Capital Advisors, Inc. that best execution may not be achieved, due to selection of specific custodians through participation in the platform. SRS Capital Advisors, Inc. strives to use broker(s) that achieve best execution.

Fees charged by SRS Capital Advisors, Inc. do not include any charge for insurance advice. Insurance advice may be given but only in the Associates capacity as a licensed insurance agent. No separate fee may be charged because various federal and state statutes prohibit charging such a fee. However, if properly licensed, Associates may receive commissions upon the sale of insurance products. A financial plan, however, may include cash flow information regarding a client's insurance policies.

We offer individual financial planning services. These services are offered on a comprehensive or a la carte (limited focus) basis. All financial planning activities are performed on an hourly fee basis depending on your needs and the complexity of your specific financial situation. The hourly fee charged will be one hundred and fifty dollars (\$150). One half of the fee is payable in advance of the financial plan. You have the right to terminate the Financial Planning Agreement for any reason if you provide to us, in writing, a request to do so within five (5) days from the date that the agreement is signed. If you choose to do so, you will receive no less than one half (½) of the amount paid, or any unearned portion of that amount, whichever is greater.

You may choose any insurance agent or investment advisor to implement the recommendations made in the financial plan. If you choose to utilize our services for implementation of investment or insurance products and programs, additional compensation in the form of fees and/or commissions will be received by your Associate and the Company. These charges are entirely separate from the fees charged for the financial plan itself. Clients may be able to attain recommended investment and/or insurance products from other product sponsors at a lower cost. Some view the ability to receive commissions on insurance products as a conflict of interest. Others view not being able to be compensated for the implementation of insurance products (and only investment products) as a conflict of interest.

From time to time, various attorneys retain Principals of SRS Capital Advisors, Inc. to serve as an expert witness in insurance and investment lawsuits and arbitrations. A fee of \$300, or more per hour is charged for expert witness services.

SRS Capital Advisors has an arrangement with SRS Investment Services, LLC whereby SRS Investment Services, LLC acts as a solicitor for SRS Capital Advisors, Inc. SRS Investment Services, LLC is an affiliate of the Advisor, and all of the owners of SRS Investment Services, LLC are licensed as investment professionals under SRS Capital Advisors, Inc. and are eligible to receive referral fees within the meaning of Rule 206(4)-3(a)(2)(ii) of the Investment Advisers Act of 1940, as amended. SRS Investment Services, LLC does not dispense any investment advisory services or perform any record keeping function, all of which are performed by the Advisor.

SRS Capital Advisors, Inc. pays referral fees to SRS Investment Services, LLC in circumstances where the LLC is acting as a solicitor for SRS Capital Advisors. This means that the fees charged by SRS Capital Advisors to clients may be paid to SRS Investment Services, LLC in the cases where SRS Investment Services, LLC introduced the client to the advisor.

The various fee schedules for SRS Capital Advisors, Inc. investment management services are detailed below:

Fee Schedules:

<b><u>Discretionary and Non-Discretionary Investment Advisory Fee Schedule</u></b>		
<b><u>Assets:</u></b>	<b><u>Annual Fee:</u></b>	<b><u>Quarterly Fee:</u></b>
First \$2,500,000	1.00%	0.2500%
Next \$2,500,000 (up to \$5,000,000.00)	0.75%	0.1875%
Next \$5,000,000 (up to \$10,000,000.00)	0.65%	0.1625%
Next \$15,000,000 (up to \$25,000,000.00)	0.60%	0.1500%
Next \$25,000,000 (up to \$50,000,000.00)	0.50%	0.1250%
Above \$50,000,000	0.40%	0.1000%

<b><u>Monument SMA (\$100,000 minimum)</u></b>		
<b><u>Assets:</u></b>	<b><u>Annual Fee:</u></b>	<b><u>Quarterly Fee:</u></b>
First \$500,000	1.90%	0.4750%
Next \$500,000 (up to \$5,000,000.00)	1.75%	0.4375%
Next \$1,000,000 (up to \$10,000,000.00)	1.50%	0.3750%
Next \$3,000,000 (up to \$25,000,000.00)	1.25%	0.3125%
Above \$5,000,000	1.00%	0.2500%

**Item 6. Performance-Based Fees and Side-by-Side Management:**

SRS Capital Advisors, Inc. does not have any performance-based or side-by-side management fee structures.

**Item 7. Types of Clients:**

We provide financial advisory and investment advisory services to primarily affluent and high net-worth clients with investable assets in excess of \$1M. We also manage assets for retirement plans (for example, 401(k) and profit sharing plan assets) as well as foundations, non-profits, and the like. Finally, as discussed previously, the firm serves as a third party asset manager (TAM) for other financial advisors and investment advisors. SRS Capital Advisors, Inc. has over 250 clients.

**Item 8. Method of Analysis, Investment Strategies and Risk of Loss:**

We deliver a number of custom-tailored and proprietary investment strategies. While the investment objective of each strategy is to provide profits, all strategies contain risks and the potential for losses.



Our strategies range in risk from more conservative in nature to very aggressive in nature. The more conservative a strategy, the smaller the potential for both gains and losses become for the account. The more aggressive a strategy, the greater the potential for both gains and losses become for an account.

All of our discretionary strategies are actively managed. In general, the more conservative the strategy is the less trading activity that is required to achieve the goal of the portfolio. The more aggressive the strategy is the more trading activity that is required to achieve the goal of the portfolio. Trading incurs costs which are borne by you and are a drag on investment performance. When analyzing your investment options it is important to weigh the tradeoff between trading costs and active portfolio management.

Our methods of analysis are numerous, sophisticated and dynamic in nature. We use both qualitative and quantitative measures, analyze the macroeconomic and microeconomic environments, and utilize both fundamental and technical analysis. Many of our strategies rely on statistical models to comprise asset allocations and diversification strategies.

In general, our Portfolio Managers and Associates have expertise in different areas and we trade information frequently at formal monthly meetings, Investment Committee meetings and informally with each other almost daily. We conduct proprietary internal research on both individual securities and the economy and purchase research from numerous outside sources. We constantly monitor all of our investment strategies and are active in our management style.

We use a number of additional resources when working with clients, designing investment programs and preparing financial plans. Some of these sources include financially oriented text books, marketing materials from product sponsors, and information provided by an approved third party. Our Associates may also make recommendations based on specific legal, investment, and tax documents provided by you.

Custom-tailored investment strategies are unique in nature and are governed by a risk tolerance assessment or an Investment Policy Statement which is designed by you and your SRS Capital Advisors, Inc. Associate. The following describes each of the firm's proprietary strategies in more detail. All strategies and accounts may utilize a mix of almost any traded security (ETFs - *including leveraged and inverse ETFs*, stocks, bonds, mutual funds, alternative investments, etc.) which together creates a portfolio which the manager believes will best achieve its investment objective. Each strategy may also use investment managers (i.e. mutual funds and separately managed accounts) whose investment style and expertise may be appropriate for the specific needs of certain clients.

**Item 9. Disciplinary Information:**

Neither SRS Capital Advisors, Inc. nor its Associates have any disciplinary history.

**Item 10. Other Financial Industry Activities and Affiliations:**

Appropriately registered IARs of SRS Capital Advisors, Inc. may spend some of their time selling insurance based products in addition to providing investment advisory services. David A. Simon, President of SRS Capital Advisors, Inc. spends approximately 30% of his time managing SimonDavis Brokerage Services, Inc. an insurance wholesale brokerage agency. SimonDavis Brokerage Services, Inc.

provides SRS Capital Advisors, Inc. and other investment professionals, access to a wide array of life, annuity, long term care, and disability insurance products.

SRS Capital Advisors, INC IARs are registered to sell insurance based products in the following states:

- David A. Simon – Colorado, California, Florida, Georgia, Massachusetts, Montana, Pennsylvania, New York, Rhode Island, Tennessee, Texas, Utah, Virginia, and Wisconsin
- Patrick D. Johnson – Colorado, Arizona, California, Connecticut, District of Columbia, Georgia, Iowa, Maryland, Ohio, Texas, and Virginia
- C. Todd Pevarnik – Colorado and Pennsylvania
- Paul W. Davis – Colorado and California
- David L. Swenson - Colorado

**Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading:**

Without exception, all IARs of SRS Capital Advisors, Inc. are required to be currently registered in all jurisdictions where they will provide investment advisory services. They are required to maintain these registrations in good standing and are not permitted to provide advice in jurisdictions in which they do not hold a current registration. Some officers and directors of SRS Capital Advisors, Inc. may not be required to be IARs and do not provide investment advice to the public.

SRS Capital Advisors, Inc. places the highest value on the ethical conduct of its employees. We will accept nothing less than total integrity, honesty, openness and trust from both our employees and our principals. Our number one priority is you, the client. We have a relentless passion to continuously take steps which will enable us to effectively assist you in achieving your financial and investment goals. Our advisors have an ongoing fiduciary responsibility to serve you, our client. Thus, we require total compliance with federal and state securities laws in addition to all SDAM policies and procedures. We strive to live up to not only the letter and spirit of the law, but also to the ideals of the organization which are to put your interests ahead of the interests of the firm's, its advisor's and its employee's.

All Investment Advisory Representatives, employees and other affiliates of SRS Capital Advisors, Inc. must take every measure to prevent access to material nonpublic information regarding securities recommendations, and client securities holdings and transactions by individuals who do not need the information to perform their duties. SDAM maintains and enforces policies and procedures to prevent the misuse of material nonpublic information. These policies and procedures are thoroughly documented in the "Office Procedure for the Protection of the Security of Customers Privacy", "SRS Capital Advisors, Inc. Privacy Policy", and "Investment Advisory Representative Procedures Manual." Advisors must not misuse material nonpublic information about the advisor's securities recommendations, client securities holdings and transactions. Advisors must safeguard sensitive information at all times.

All "access persons" must report on a quarterly basis their personal securities transactions and holdings to the advisor's Chief Compliance Officer. An access person is a supervised person who has access to nonpublic information regarding clients' purchase or sale of securities, is involved in making securities recommendations to clients or who has access to such recommendations that are nonpublic. A supervised person who has access to nonpublic information regarding the portfolio holdings of affiliated mutual funds is also an access person. Access persons will include portfolio management personnel and,

client service representatives who communicate investment advice to clients. All directors, officers and partners of the firm will be considered access persons.

SRS Capital Advisors, Inc. requires complete transparency with regards to personal securities activity. Advisors and Employees are not allowed to trade in any individual security without obtaining prior approval from the Chief Compliance Officer. In general, all personal securities trades must be in securities that are not owned by firm clients unless they are in a block trade with firm accounts which ensures that the advisor obtains identical pricing to that of firm clients. Our internal Policies and Procedures Manual contains detailed procedures regarding personal securities trading and is available upon request.

SRS Capital Advisors, Inc. has a Code of Ethics that establishes standards of conduct expected of supervised persons and reflects our fiduciary duties. Our Code of Ethics requires that supervised persons comply with applicable federal securities laws, and that certain supervised persons ("access persons") must report their personal securities holdings and transactions, including transactions in mutual funds advised by SRS Capital Advisors, Inc. or an affiliate. SRS Capital Advisors, Inc. will provide a copy of our Code of Ethics to any client or prospective client on request. For a complete copy, please contact us at (303) 837-1119 or, e-mail us at: [info@SRS Capital Advisors, Inc.inc.com](mailto:info@SRS Capital Advisors, Inc.inc.com).

#### **Item 12. Brokerage Practices:**

SRS Capital Advisors, Inc. has a relationship with Fidelity Brokerage Services, LLC, National Financial Services, LLC and Charles Schwab Investment Services whom provide custody, trading execution, clearing and recordkeeping services for SRS Capital Advisors, Inc. client accounts. The firm's Best Execution Committee believes that these custodians are the industry leaders for custodial services. Both Fidelity and Schwab provide the firm with a myriad of tools including, but not limited to: trading desks; statements; custodial services; research; and, other valuable resources. These relationships and their resources may be considered *soft dollars* and may create conflicts of interest. These resources benefit all clients firm-wide and are not allocated only to those that use custodian resources. We do not believe we are "paying up" for any provided resources as both Fidelity and Schwab are among the low-cost providers in the industry. Neither Fidelity nor Schwab pays SRS Capital Advisors, Inc. a referral fee for client referrals.

#### ***Detailed information about the Fidelity and Schwab relationships is below:***

Fidelity - SRS Capital Advisors, Inc. has an arrangement with National Financial Services, LLC and Fidelity Brokerage Services, LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides us with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help us manage and further develop our advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences,

roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly.

SRS Capital Advisors, Inc. is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Fidelity is providing SRS Capital Advisors, Inc. with certain brokerage and research products and services ("soft dollar") that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

SRS Capital Advisors, Inc. participates in the Fidelity Wealth Advisor Solutions program. Wealth Advisor Solutions is a referral program designed to introduce high net worth investors to independent registered investment advisors. We do not pay a fee to participate in the Wealth Advisor Solutions Program. SRS Capital Advisors, Inc. participation in the program may raise potential conflicts of interest as we may have an incentive to recommend that clients custody asset with Fidelity.

Schwab - SRS Capital Advisors, Inc. has an arrangement with Charles Schwab Investment Services through which Schwab provides us with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Schwab's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting. Schwab also offers other services intended to help us manage and further develop our advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly.

SRS Capital Advisors, Inc. is independently operated and owned and is not affiliated with Charles Schwab.

Schwab generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Schwab is providing SRS Capital Advisors, Inc. with certain brokerage and research products and services ("soft dollar") that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

SRS Capital Advisors, Inc. participates in a Schwab provided program which is a referral program designed to introduce high net worth investors to independent registered investment advisors. We do not pay a fee to participate in this program. SRS Capital Advisors, Inc. participation in the program may raise potential conflicts of interest as we may have an incentive to recommend that clients custody asset with Schwab.

*Other Relationships* -SRS Capital Advisors, Inc. and/or IARs of SRS Capital Advisors, Inc. have numerous wholesale contracts with multiple insurance companies and agencies through SimonDavis Brokerage Services, Inc. a wholesale insurance brokerage agency owned in full by David A. Simon, President of SRS Capital Advisors, Inc. This relationship could be viewed as a conflict of interest. These contracts are not related to investment advisory services provided by the IAR's of SRS Capital Advisors, Inc.

SRS Capital Advisors, Inc. does engage in discretionary trading for most client accounts. Authorized SRS Capital Advisors, Inc. Associates may choose specific securities and the amount purchased of a specific security so long as it is appropriate for the goals, objectives and risk tolerance of the client. Clients should reference platform-specific "advisor agreements" for additional details. SRS Capital Advisors, Inc. does recommend broker dealers for client security trades. All trades made by IARs of SRS Capital Advisors, Inc. are placed through Fidelity Brokerage Services, LLC or National Financial Services, LLC, Members NYSE, SIPC or Charles Schwab Investment Services, unless requested otherwise, in writing, by clients.

SRS Capital Advisors, Inc. does not determine commission rates paid for trading in client accounts and therefore may not necessarily obtain the best price. SRS Capital Advisors, Inc. may, in the future, have the ability to negotiate down the commission rates paid for trading in client accounts.

In certain instances, related persons of SRS Capital Advisors, Inc. may engage in discretionary trading in client accounts. For example, when clients purchase mutual fund shares, the fund advisor(s) may purchase securities on behalf of the fund on a discretionary basis subject to the provisions set forth in the fund's prospectus and the oversight of the fund's board of directors. These funds also select broker dealers to affect fund trades.

SRS Capital Advisors, Inc. does aggregate client trades. These block trades are typically utilized to obtain best execution and fair and equal treatment for all clients. Allocations of block trades are typically made on a pro-rata basis when possible. In rare circumstances pro-rata allocation is not possible and some client accounts may be excluded from the allocation, or receive some other share that is not their pro-rata share.

### **Item 13. Review of Accounts:**

There is constant oversight and monitoring of all discretionary client accounts by a SRS Capital Advisors, Inc. Portfolio Manager. Additionally, Associates maintain oversight on their client's accounts and will periodically review your account with you.

Investment advisory clients of SRS Capital Advisors, Inc. will be contacted at least annually to review the performance of their account(s). Account performance and client goals and objectives will be reviewed during this annual review. On at least a quarterly basis, clients will receive account statements detailing account activity, holdings and balances. Associates of SRS Capital Advisors, Inc. will be available during normal business hours to counsel clients and answer questions regarding investment accounts.

For financial planning clients, Associates will provide periodic reviews and updates for clients as requested. Unless requested by the client, IARs will not send financial planning updates to clients. SRS Capital Advisors, Inc. reserves the right to charge a predetermined hourly fee for these reviews.

#### **Item 14. Client Referrals and Other Compensation:**

IARs of SRS Capital Advisors, Inc. may from time to time refer clients to individuals that have referred business to them in the past. One could conclude that the IAR is receiving an indirect economic benefit from this activity. IARs do not receive direct compensation for client referrals. SRS Capital Advisors, Inc. reserves the right to pay a fee to a solicitor who refers clients to us in accordance with applicable securities laws. From time to time SRS Capital Advisors, Inc. does enter into solicitor relationships with individual ("Solicitors") who in turn offer our services to members of the public. Through these arrangements, we pay a cash referral fee to the Solicitor based upon a percentage of our advisory fee. The referral fee is paid pursuant to a written agreement and this information is disclosed to Clients prior to, or at the time, of entering into an investment advisory agreement.

SRS Capital Advisors has an arrangement with SRS Investment Services, LLC whereby SRS Investment Services, LLC acts as a solicitor for SRS Capital Advisors, Inc. SRS Investment Services, LLC is an affiliate of the Advisor, and all of the owners of SRS Investment Services, LLC are licensed as investment professionals under SRS Capital Advisors, Inc. and are eligible to receive referral fees within the meaning of Rule 206(4)-3(a)(2)(ii) of the Investment Advisers Act of 1940, as amended. SRS Investment Services, LLC does not dispense any investment advisory services or perform any record keeping function, all of which are performed by the Advisor.

IARs of SRS Capital Advisors, Inc. may from time to time recommend and implement group variable annuities when suitable for a client. They are exclusively sold through qualified and licensed individuals of the firm. This recommendation is provided solely in the IARs capacity as a licensed insurance broker/agent. SRS Capital Advisors, Inc. and/or its IARs do not utilize any investment advisory contract or agreement when selling these products. Our sole compensation for the sale is an insurance commission and/or trails on the products sub-accounts under the group variable annuity.

#### **Item 15. Custody:**

A separate account is maintained for you with the "Custodian". You will be provided with at least a quarterly statement from the custodian containing a description of all activity in your account. You will receive, through confirmation from the custodian, a notice of all transactions in your account.

Investment advisory clients of SRS Capital Advisors, Inc. will receive no less than quarterly statements detailing account activity, holdings and balances.

You should carefully review the statements you receive from the qualified custodian against any personal knowledge you have of your account(s) and any information provided to you by our firm. This will assist you in determining whether, or not, account transactions, advisory fees and otherwise are accurate.

**Item 16. Investment Discretion:**

As noted in Item 8, SRS Capital Advisors, Inc. does engage in discretionary trading for most client accounts. When authorized, certain IARs of SRS Capital Advisors, Inc. may choose specific securities and the amount purchased of a specific security so long as it is appropriate for the goals, objectives and risk tolerance of the client. Clients are able to place reasonable restrictions and constraints on how their investments are managed; or, they may choose that we manage their account on a non-discretionary basis whereby the client may direct us, or work alongside us, in choosing appropriate investment positions to achieve their investment goals.

**Item 17. Voting Client Securities:**

SRS Capital Advisors, Inc. does not vote, in general will not accept the authority to vote, nor advises how to vote, proxies for securities held in your account(s). Proxies are sent directly to you from the company or via your custodian either by mail or electronically depending on how you set up your account.

For questions regarding proxies and for additional details regarding our proxy procedures please contact our office at 303-633-5900; or, by email at: [info@srsca.com](mailto:info@srsca.com).