

## **Secured Retirement Advisors, LLC**

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**August 6, 2021**

### **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Secured Retirement Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 952.460.3260. 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 Secured Retirement Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Secured Retirement Advisors, LLC is 144239.

Secured Retirement Advisors, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

### Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous annual filing of this brochure.

#### **Material Changes since the Previous Annual Update**

On June 14, 2021, in preparation for our firm's SEC transition, we completed the following changes to our Form ADV Part 2A Brochure:

- We removed all references to registration with the State of Minnesota
- We updated the description of our firm's ownership and expanded the portfolio management services disclosures in Item 4.
- We amended Item 5 to disclose that AE Wealth Management, LLC provides us with access to an asset management and performance reporting platform. In addition, AE Wealth will calculate and deduct fees from the client's custodial account on behalf of our firm.
- We amended Item 8 to provide further detail about our Methods of Analysis, Investment Strategies and associated risks. In addition, we expanded the investment risk disclosures.
- We amended Item 12 to add disclosures about our recommendation of Fidelity as a custodian.
- We amended Item 15 to disclose important information about custody related to standing letters of authorization.
- We deleted the disclosures on Item 19 of the document since that item is only applicable to state registered firms.

Clients should read the entire document to familiarize themselves with our firm, our services, and conflicts of interest.

#### **Full Brochure Available**

If you would like to receive a complete copy of our Form ADV Part 2 Brochure, please contact Joe Lucey at (952) 460-3260 or [jlucey@securedretirements.com](mailto:jlucey@securedretirements.com).

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#### **Advisory Business - Item 4**

##### **Description of Services and Fees**

Secured Retirement Advisors, LLC ("SRA") is a registered investment adviser based in St. Louis Park, Minnesota. We are organized as a limited liability company under the laws of the State of Minnesota. Our firm has been providing investment advisory services since 2007. Joseph S. Lucey is our CEO and Chief Compliance Officer. Secured Retirement Associates, LLC is the Principal Owner of SRA. Joseph Lucey is the Principal owner of Secured Retirement Associates, LLC. Mr. Lucey has been involved in the securities industry since 1994. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Financial Planning Services
- Portfolio Management Services
- Selection of Other Advisers
- Pension Consulting Services

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Secured Retirement Advisors, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm. The use of these terms is not intended to imply that there is more than one individual associated with this firm.

##### **Financial Planning Services**

We offer broad-based, modular, and consultative financial planning services. Broad-based financial planning services will typically involve providing a variety of services, principally advisory in nature, to you regarding the management of your financial resources based upon an analysis of your individual needs. An Associated Person of our firm will first conduct a complimentary initial consultation. After the initial consultation, if you decide to engage us for financial planning services, an Associated Person of our firm will conduct a follow up meeting, or series of meetings and discussions, during which pertinent information about your financial circumstances and objectives is collected. Once such information has been reviewed and analyzed, a written financial strategy or financial plan – designed to achieve your stated financial goals and objectives – will be produced and presented to you. The primary objective of this process is to allow us to assist you in developing a strategy for the successful management of income, assets and liabilities in meeting your financial goals and objectives.

Financial plans are based on your financial situation at the time the plan is prepared and on financial information provided by you to our firm. We do not verify such information and rely on you to present us with accurate information at the time such information is requested. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. We cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify us promptly.

You may act on our recommendations by placing securities transactions with any brokerage firm you choose. You are under no obligation to act on our financial planning recommendations. Moreover, if you elect to act on any of the recommendations, you are under no obligation to implement the financial plan through us.

### **Portfolio Management Services**

Our firm offers discretionary and non-discretionary portfolio management services where the investment advice provided is tailored to meet your investment needs and financial objectives. Discretionary management means we will make investment decisions and place buy or sell orders in your account without contacting you. These decisions would be made based upon your stated investment objectives. If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Non-discretionary portfolio management means that we will obtain your approval prior to the execution of transactions.

Our investment advice is tailored to meet our clients' needs and investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and help you decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals.

SRA provides advice on various types of securities, such as exchange listed equities, foreign issues, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (including mutual funds and exchange traded funds), US Government securities, options contracts on securities, and interests in partnership investing in private equity and other alternative investments. Additionally, we will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice.

If you engage us for portfolio management services, we will monitor your portfolio's performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions and/or your financial circumstances.

### **Selection of Other Advisers**

As part of our investment advisory services, we may recommend that you use the services of a third party investment adviser ("TPA") to manage your entire, or a portion of your, investment portfolio. After gathering information about your financial situation and objectives, we may recommend that you engage a specific TPA or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPA's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the TPA(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

Advisory fees charged by TPAs are separate and apart from our advisory fees. Advisory fees that you pay to the TPA are established and payable in accordance with the brochure provided by each TPA to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPA's this brochure and take into consideration the TPA's fees along with our fees to determine the total amount of fees associated with this program.

You will be required to sign an agreement directly with the recommended TPA(s). You may terminate your advisory relationship with the TPA according to the terms of your agreement with the TPA. You should review each TPA's this brochure for specific information on how you may terminate your advisory relationship with the TPA and how you may receive a refund, if applicable. You should contact the TPA directly for questions regarding your advisory agreement with the TPA.

### **Pension Consulting Services**

We provide several pension consulting related services. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of the following components. Clients may choose to use any or all of these services.

**Selection of Investment Vehicles**

We create or review the plan's investment lineup, primarily consisting of mutual funds (both index and managed) and clients will select the lineup that is most appropriate for their investment needs.

**Monitoring of Investment Performance**

Client investments will be monitored and reviewed based on the procedures and timing intervals outlined in the agreement with the client. Where we have no access to client account statements, the client is instructed to make such statements available to the firm. In these situations, we will not be involved in any way in the purchase or sale of these investments. We will make recommendations to the client as market factors and the client's needs dictate.

**Employee Communications**

For pension, profit sharing and 401(k) plans where the individual account participant exercises control over assets in his/her own account (hereinafter "self-directed plans"), we also provide educational support designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in Employee Retirement Income Securities Act ("ERISA") Section 404(c). Educational support services will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

**Investment Management of Plan Assets**

We provide discretionary investment management services to ERISA covered employee benefit plans ("Plan"). In providing investment management services to the Plan, we directly manage and provide advice regarding the selection of the Plan's investments offered to participants under the Plan. We monitor the investments and determine the retention, removal and addition of investments in the Plan's pooled investment account.

These services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under ERISA. Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have previously signed. Our compensation for these services is described below, in Item 5, and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

Other pension consulting services are available on request. All of our pension consulting services, whether general or customized, will be outlined in an Agreement that shows the services that will be provided and the fees that will be charged for those services.

Secured Retirement Advisors, LLC is registered as an investment advisor and represents that it is not subject to any disqualification as set forth in Section 411 of ERISA. To the extent we perform Fiduciary Services, are acting as a fiduciary of the Plan as defined in Section 3(21) or Section 3(38) under the Employee Retirement Income Security Act ("ERISA").

**Assets Under Management**

As of January 21, 2021, we managed \$122,211,820 in client assets on a discretionary basis, and \$0 in client assets

on a non-discretionary basis.

#### **Fees and Compensation - Item 5**

##### **Financial Planning Service Fees**

Our firm may charge a fixed fee for broad-based financial planning services, which ranges between \$500 - \$25,000 depending upon the complexity and scope of the plan, your financial situation, and your individual objectives. In no event will we require a payment of \$500 in fees, six or more months in advance.

If you only require advice on a single aspect of your finances, we offer modular financial planning/general consulting services on an hourly basis. Our hourly rate for such services is \$300 per hour and is negotiable depending on the scope and complexity of the plan, your specific situation, and your investment goals and objectives. These fees are due upon completion of services rendered.

If the disclosure brochure - Part 2 of the Form ADV - is not delivered to you within 48 hours prior to you entering into the financial planning agreement, you may terminate the agreement within five business days of the date of acceptance without penalty. If you received the disclosure documents 48 hours in advance or if the five-day grace period has expired, either party may terminate the agreement upon written notice to the other party. You will incur a pro rata charge for bona fide financial planning and/or consulting services rendered prior to such termination. Any pre-paid unearned fees will be refunded to you on a pro rata basis. If you are unhappy with the consultation or financial planning process, you may request a refund of our fee within the first 180 calendar days following the date of entering into the investment advisory agreement.

##### **Portfolio Management Services**

Our Management Fee (or annual fee) for portfolio management services is billed and payable monthly, in arrears, based on the daily average balance of the account. Our fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a calendar month. On an annualized basis, our fees for portfolio management services, subject to negotiation, are based on the following fee schedule:

| <b>Assets Under Management</b> | <b>Annualized Fee</b> |
|--------------------------------|-----------------------|
| Under \$250,000                | 1.50%                 |
| \$250,001 - \$1,000,000        | 1.25%                 |
| \$1,000,001 - \$3,000,000      | 1.00%                 |
| Over \$3,000,000               | 0.75%                 |

The daily average balance is calculated by adding the daily account balances for the month and dividing it by the number of days. This amount may not be the same as the monthly ending account balance. The fee for partial months is calculated by multiplying the daily average balance by the annual fee percentage divided by 365, then multiplied by the number of days in the month. The fee for full months is calculated by multiplying the daily average balance by the annual fee percentage divided by 12.

The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of your funds. We do not charge a fee on cash or cash equivalents. However, for the purpose of calculating the Management Fee, the daily account balances will include any margin debit balance which will increase the daily account balance and increase your Management Fee.

We reserve the right to maintain courtesy accounts that do not incur Management Fees and to exclude certain positions from being included in the account balance for purposes of calculating the Management Fee. Also, we do

not include the value of your insurance products when determining the Management Fee.

At our discretion, we may allow accounts of members of the same household to be aggregated for purposes of determining the advisory fee. We may allow such aggregation, for example, where we service accounts on behalf of your children, individual and joint accounts for a spouse, and other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause the accounts to be assessed a reduced advisory fee based on the breakpoints available in our fee schedule as stated above.

The Management Fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5 (hereinabove), which you may incur. However, we will not receive any portion of these commissions, fees and costs.

**Margin in Advisory Accounts.** The use of margin in your Account is permitted. Borrowing against your account gives you access to cash and/or the ability to purchase additional securities. You should be aware that a margin debit balance increases your Account's daily account balance, which in turn increases the amount of Management Fee you pay. It is a conflict of interest for us to recommend that you borrow on margin in your Account for any reason because we receive greater compensation from the increased daily account balance of your Account. The use of margin is not suitable for all investors since it increases leverage in your Account and therefore its risk.

We have hired AE Wealth Management, LLC, ("AE Wealth") an unaffiliated third party investment adviser to provide us with access to an asset management and performance reporting platform. In addition, AE Wealth will calculate and deduct fees from the client's custodial account on behalf of our firm. Our firm does not have the authority to calculate or deduct fees. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, directly to you, showing all disbursements from your account. We encourage you to review all account statements for accuracy. We will receive a duplicate copy of the statement delivered to you.

If the disclosure brochure – Part 2 of the Form ADV - is not delivered to you within 48 hours prior to you entering into the portfolio management agreement, you may terminate the portfolio management agreement within five business days of the date of acceptance without penalty. If you received the disclosure documents 48 hours in advance or if the five-day grace period has expired, either party may terminate the agreement upon written notice to the other party. Refunds are not applicable because fees are payable in arrears.

#### **Third Party Adviser Fees**

Advisory fees charged by TPAs are separate and apart from our advisory fees. Advisory fees that you pay to the TPA are established and payable in accordance with the brochure provided by each TPA to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPA's this brochure and take into consideration the TPA's fees along with our fees to determine the total amount of fees associated with this program.

#### **Pension Consulting Services Fees**

Our pension consulting services fee and payment terms are either based on a percentage of plan assets as disclosed in the portfolio management services fee section above or a fixed/hourly fee as disclosed in the financial planning services fees section listed above. Our advisory fee is negotiable, depending on individual client circumstances.

Either party to the advisory agreement may terminate the agreement upon 30-days' written notice to the other party. The fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

#### **Additional Fees and Expenses**

Our fee is exclusive of, and in addition to, brokerage commissions, transaction fees, and other related costs and



expenses. You are responsible for brokerage costs incurred. However, SRA will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage arrangements.

All fees paid to SRA for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by mutual funds or exchange traded funds. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. A client could invest in such funds directly, without the services of SRA. In which case, the client would not receive the services provided by SRA, which are designed, among other things, to assist the client in determining which fund or funds are most appropriate to their financial condition and objectives. Accordingly, clients should review the fees charged by the funds and the fees charged by SRA to fully understand the total amount of fees charged and to evaluate the cost of advisory services being provided.

We do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

#### **Compensation for the Sale of Insurance Products**

Certain Executive officers and other Associated Persons of SRA are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to clients of SRA. Insurance commissions earned by these persons are separate and in addition to SRA's advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person or entity affiliated with our firm.**

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the Advisory Business section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

#### **Types of Clients - Item 7**

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$250,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and

your spouse and your children and other types of related accounts to meet the stated minimum. We do not charge a fee on cash or cash equivalents. We charge a \$40 per year/per account minimum to maintain an account; however, in some cases this fee may be waived.

We reserve the right to terminate your account if it falls below a minimum size, which, in our sole opinion, is too small to effectively manage.

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

Our investment strategies and advice may vary depending upon your specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use one or more of the following methods of analysis when providing investment advice to you:

- Fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value. In other words, trying to determine a company's or a security's true value by looking at all aspects of the business, including both tangible factors (e.g., machinery buildings, land, etc.) and intangible factors (e.g., patents, trademarks, "brand" names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of determining what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.
- Technical Analysis – Technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

We may also obtain research from unaffiliated third parties. Prior to engaging the services of any unaffiliated third party research provider, SRA will conduct an informal due diligence review of the research provider.

We may use one or more of the following investment strategies when advising you on investments:

- *Long Term Purchases* – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. Using a long-term purchase

strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

- *Short Term Purchases* – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.
- *Option Writing* – an option is the right either to buy or sell a specified amount or value of a particular underlying investment instrument at a fixed price (i.e. the "exercise price") by exercising the option before its specified expiration date. Options giving you the right to buy are called "call" options. Options giving you the right to sell are called "put" options. When trading options on behalf of a client, we generally use covered options. Covered options involve options trading when you own the underlying instrument on which the option is based. Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

#### **Risk of Loss**

Clients should be aware that investing in securities involves a risk of loss that they should be prepared to bear. Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy would be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with investing in securities, as described below:

#### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we provide advice on various types of securities and we do not necessarily recommend one particular type of security over another since each Client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived

may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Equity (stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

**Risks Associated with Investing in Mutual Funds:** Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these

securities are not guaranteed or insured by the FDIC or any other government agency.

**Management Risk:** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

**Municipal Securities Risk:** The value of municipal obligations can fluctuate over time. Value may be affected by adverse political, legislative and tax changes. Financial developments affecting the municipal issuers affect the value as well. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues; revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

**Alternatives Risk:** Non-traded REITs, business development companies, limited partnerships, and direct alternatives are subject to various risks such as liquidity and property devaluation based on adverse economic and real estate market conditions and may not be suitable for all investors. A prospectus that discloses all risks, fees, and expenses may be obtained from your investment adviser representative. Read the prospectus carefully before investing. This is not a solicitation or offering which can only be made in conjunction with a copy of the prospectus. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature; and, such investments involve a high degree of risk, particularly if concentrating investments in one or few alternatives investments.

**Foreign Securities Risk:** Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

**Risks Associated with Investing in Private Funds:** Private investment funds are not registered with the Securities and Exchange Commission and may not be registered with any other regulatory authority. Accordingly, they are not subject to certain regulatory restrictions and oversight to which other issuers are subject. There may be little public information available about their investments and performance. Moreover, as sales of shares of private investment companies are generally restricted to certain qualified purchasers, it could be difficult for a Client to sell its shares of a private investment company at an advantageous price and time. Since shares of private investment companies are not publicly traded, from time to time it may be difficult to establish a fair value for the Client's investment in these companies.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or

deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Illiquid securities:** Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded, and/or for which no market is currently available may be difficult to purchase or sell, which may impact the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments may also be difficult to value. A Client may not be able to liquidate investment in the event of an emergency or any other reason.

Certain investment strategies used by our firm may invest in illiquid asset vehicles, such as private equity and real estate. Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents that often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicle may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, they may not be able to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable.

**Cybersecurity Risks** – SRA and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, however, unintentional events may have similar effects. Cyber-attacks may cause losses to Clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established business continuity plans, incident response plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers and may cause a Client's investment in such securities to lose value.

#### Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of material legal or disciplinary events by our firm or our management persons.

#### **Other Financial Industry Activities or Affiliations - Item 10**

We are affiliated with Secured Retirement Associates, LLC, an insurance agency through common control and ownership. Therefore, persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn compensation for selling insurance products, including insurance products they sell to you. Compensation earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

These affiliated firms are otherwise regulated by the professional organizations to which they belong and must comply with the rules of those organizations. These rules may prohibit paying or receiving referral fees to or from investment advisers that are not members of the same organization.

If you require tax or accounting services, we may recommend that you use a third party provider. Any referral arrangements we have with our affiliated entities and/or third party providers present a conflict of interest because we may have a financial incentive to recommend our affiliates' services or a third party provider. While we believe that compensation charged by our affiliates and certain third party providers are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services or any third party provider we recommend and may obtain comparable services and/or lower fees through other firms.

You are therefore advised that a conflict of interest may exist between the interests of our firm. You are under no obligation to effect insurance transactions, or use any of the other services, offered through our firm and/or through Mr. Lucey.

#### **Recommendation of Other Advisors**

We may recommend that you use a third party advisor (TPA) as part of our asset allocation and investment strategy. We will not share in the compensation received by the TPA for managing your account.

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

##### **Description of Our Code of Ethics**

SRA has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes SRA's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure or refer to our website.



**Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client securities transactions beyond the provision of investment advisory services as disclosed in this brochure.

**Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities. As an investment adviser, it is our fiduciary duty to put your interests ahead of our own in any situation where we believe a conflict of interest between you and our firm may exist.

**Brokerage Practices - Item 12**

For SRA's portfolio management programs we recommend and request clients to implement trades and maintain custody of assets through discount brokers. We will recommend the services of National Financial Services LLC and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity"); and/or TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"). These firms are independent and unaffiliated SEC-registered broker-dealers and members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). These firms offer us services that include custody of securities, trade execution, clearance, and settlement of transactions.

**Research and Other Soft Dollar Benefits received from Fidelity**

Fidelity's brokerage services provide access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Fidelity include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Fidelity's services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You:* Fidelity also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include limited scope investment research. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Fidelity. In addition to investment research, Fidelity also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

**Research and Other Soft Dollar Benefits received from TD Ameritrade**

There is no direct link between SRA's use of TD Ameritrade and the investment advice it gives to its clients, although SRA receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving SRA participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory



fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SRA by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by SRA's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit SRA but may not benefit its client accounts. These products or services assist SRA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SRA manage and further develop its business enterprise. The benefits received by SRA or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SRA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SRA or its related persons in and of itself creates a potential conflict of interest and may influence SRA's choice of TD Ameritrade for custody and brokerage services.

**Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

**Directed Brokerage**

SRA allows clients to direct brokerage. SRA may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to use Fidelity and/or TD Ameritrade, SRA will not be able to aggregate orders to reduce transactions costs, resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

**Aggregation of Orders (Block Trading)**

When suitable, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). The shares are then distributed across participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We combine multiple orders for shares of the same securities purchased for client accounts. We do not combine multiple orders for shares of the same mutual funds purchased for advisory accounts we manage because mutual funds do not trade in blocks.

**Review of Accounts - Item 13**

Accounts are reviewed by the Associated Person assigned to the account. The calendar is the triggering factor for account reviews. Accounts held at third party advisers are reviewed at least annually. You are responsible for ensuring we receive a copy of your account statement if managed by a third party adviser.

Triggering factors that may result in additional reviews include, but are not limited to, life changing events, change in employment status, changes in your investment objectives, income and cash flows, family status, disposition of assets, gifts, or inheritances and health status. It is your responsibility for informing us of such triggering factors.

We will not provide you with additional or regular written reports in conjunction with account reviews. If your account is managed by third party advisers, you may also receive additional statements from those advisers, in accordance with the third party adviser's Form ADV. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

#### Client Referrals and Other Compensation - Item 14

SRA has brokerage and clearing arrangements with Fidelity and TD Ameritrade, and the firm receives additional benefits from them. These additional benefits are listed under Item 12 above.

We may recommend that you use a third party advisor (TPA) as part of our asset allocation and investment strategy. We will not share in the compensation received by the TPA for managing your account.

We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our supervised person for client referrals.

As disclosed under the "Fees and Compensation" section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

#### Custody - Item 15

We do not have custody as a result of fee deduction authority because AE Wealth calculates and deducts fees from the client's custodial account on behalf of our firm.

With respect to third party standing letters of authorization ("SLOA") where a Client grants us authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have custody pursuant to Rule 206(4)-2 (the "Custody Rule"). We have taken steps to have controls and oversight in place to comply with the no-action letter issued by the SEC on February 21, 2017 (the "SEC no-action letter"). We are not required to comply with the surprise examination requirements of the Custody Rule if we comply with the representations noted in the SEC no-action letter. Where our firm acts pursuant to a SLOA, we believe we are making a good faith effort to comply with the representations noted in the SEC no-action letter. Additionally, since many of the representations noted in the SEC no-action letter involve the qualified custodian's operations, we will collaborate closely with our custodian(s) to ensure that the representations are met.

You will receive account statements from the custodian holding your funds and securities. You should carefully review account statements for accuracy. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

#### Investment Discretion - Item 16

Our firm offers Portfolio Management Services to its advisory Clients on either a discretionary and non-discretionary basis. Clients must grant the firm discretionary authority in the Client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold, and does not require advance Client approval.

Clients may limit the firm's discretionary authority if they wish, for example, by setting a limit on the type of securities that can be purchased for their account. All such restrictions must be provided in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advise provided by our firm on a non-discretionary basis.

#### Voting Client Securities - Item 17

##### **Proxy Voting**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

#### Financial Information - Item 18

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

#### Requirements of State-Registered Advisers - Item 19

**This section is not applicable because our firm is SEC registered.**

#### Miscellaneous

**Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the profit will be given to charity.

**Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

**Secured Retirement Advisors, LLC Privacy Notice**

This notice is being provided to you in accordance with the Securities and Exchange Commission's rule regarding the privacy of consumer financial information ("Regulation S-P") and/or comparable state laws. Please take the time to read and understand the privacy policies and procedures that we have implemented to safeguard your nonpublic personal information.

**INFORMATION WE COLLECT**

Secured Retirement Advisors, LLC must collect certain personally identifiable financial information about its customers to provide financial services and products. The personally identifiable financial information that we gather during the normal course of doing business with you may include:

- information we receive from you on applications or other forms;
- information about your transactions with us, our affiliates, or others;
- information we receive from a consumer reporting agency.

**INFORMATION WE DISCLOSE**

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law, or as necessary to provide services to you. In accordance with applicable federal and/or state laws, we may disclose all of the information we collect, as described above, to certain nonaffiliated third parties such as our attorneys, accountants, auditors and persons or entities that are assessing our compliance with industry standards. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

**CONFIDENTIALITY AND SECURITY**

We restrict access to nonpublic personal information about you to those Employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

**ACCURACY**

Secured Retirement Advisors, LLC strives to maintain accurate personal information in our client files at all times. However, as personal situations, facts and data change over time; we encourage our clients to provide feedback and updated information to help us meet our goals.