



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

*Updated: February 22, 2021*

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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. Being a “registered investment adviser” or describing ourselves as being “registered” does not imply a certain level of skill or training.

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 section discusses only material changes made since the last annual update of our brochure.

- SRS Capital Advisors, Inc. has had the following material changes since our last annual update of our brochure on February 24, 2020:
  - The firm acquired Noven Financial Group, a Registered Investment Advisor located in Denver, Colorado. The deal closed on April 1, 2020.

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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 has been in business since 2004. The firm is managed and controlled by our Board of Directors which features 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, third party money manager selection and oversight, 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.

We offer two distinct proprietary strategies which are utilized on an individual basis to achieve investment objectives. These strategies are:

1. Quantitative Market Timing (QMT)
2. Trending

Item 8 below explains our methods of analysis, investment strategies, and risk of loss. Additional detail regarding all of our proprietary investment strategies is available upon request.

#### **Investment Advisory Services to Trust Accounts:**

Certain trust clients may give us discretion in connection with the management of funds held by certain trusts. The trusts may have a single corporate trustee that is either a bank, a subsidiary of a bank, or a trust company or the trust may have co-trustees consisting of a bank or trust company together with an individual client. The discretion is exercised within certain parameters established by the applicable trust document and an investment policy statement. The discretion is evidenced by a written agreement signed by the trustee. The accounts are reviewed periodically to determine if the investments are consistent with the investment policy statement and to determine whether adjustments need to be made. Investments made in these accounts are also reviewed for potential conflicts of interest with personal accounts of employees of SRS Capital Advisors, Inc. as well as in other client accounts.

#### **Pension Consulting Services:**

We also provide several pension consulting services, either separately or in combination. We offer our services to ERISA plans including profit sharing plans, 401(k) plans, and defined benefits plans. Further,

we offer our services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

1. *Investment Policy Preparation (hereafter referred to as "IPS")*

We will meet with the plan sponsor/client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing IPS to work towards these goals. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring investment performance. The services we offer are set forth in the SRS Capital Advisors Service Agreement that is provided upon engagement with SRS Capital Advisors, Inc. This agreement outlines which services we provide as a fiduciary and which services are not provided as fiduciary services.

2. *Selection of Investment Vehicles*

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both indexed and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS

3. *Monitoring of Investment Performance*

We monitor client investments regularly, based on the procedures and timing intervals delineated in the IPS. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

4. *Employee Communications:*

For pension, profit sharing, and 401(k) plan clients with individual plan participants exercising control over assets in their own account, we may also provide quarterly educational support and investment workshops 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 ERISA Section 404 (c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations unless the plan participant has entered into a specific written agreement with SRS Capital Advisors, Inc. to provide such advice.

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.

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 attorneys. 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, 2020, the firm managed the following (in \$US):

	Assets Under Management	# of Accounts
Discretionary:	\$975,818,699	2726
<u>Non-Discretionary:</u>	<u>\$62,040,323</u>	<u>52</u>
<b>Total:</b>	<b>\$1,037,859,022</b>	<b>2778</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:**

### **Financial Planning Fees**

Fees charged for Financial Planning are negotiable and are based on a fixed-fee per project basis or on an hourly fee basis. The hourly rate ranges from \$195 to \$425 per hour and fees are payable after the plan is completed.

Total fees are determined by each firm Associate, estimating the complexity of the client's circumstances, the level of skill required to perform the service, and the amount of time that will be required to perform research, analysis, and plan preparation.

Fees may be waived in whole or in part by the Firm at its sole discretion. Financial Planning services may be terminated upon five (5) days advance written notice by either party to the other. Any fee due will be prorated to the date of termination.

The fees described above may change based on special situations such as an expansion of a project, increase in the number of reviews, more specialized needs of the client, more complex planning, or more detailed planning. Before such a change may be made, the client is given 3 days prior written notice.

Fees do not include product transaction commissions or the fees for third party professional services, e.g., investment managers, attorneys, accountants, or other third parties.

### **Investment Management Services Fees**

For its investment management accounts, SRS Capital Advisors, Inc. charges a fee based on a percentage of the market value of the investments held in each client's account. Rates vary depending on the size and complexity of a client's account and generally range from 1% to 2 ½% per year. Clients electing to utilize one or both of the firm's proprietary QMT or Trending strategies are assessed an additional ½% annual fee for the funds invested in the strategies.

Assets in the account are included in the fee assessment unless specifically identified in writing for exclusion. The management fee is billed quarterly, and may be billed in either advance or arrears, depending on the terms of a client's Investment Advisory Agreement with the firm. The method for calculating quarterly fees is detailed in each client's Investment Advisory Agreement with the firm. Management fees may be prorated for accounts established or terminated at times other than the start of a quarter.

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, the 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 accounts, 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 accounts that are billed in advance, the first partial calendar quarter during which you have participated in an 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. Fees are subsequently adjusted at the end of any calendar quarter to reflect all 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.

Similarly for accounts that are billed in advance, 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.

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

If a client terminates an account before the end of a calendar quarter that has already been billed in advance, the client will receive a refund for any prepaid, unused fees. Existing clients may have advisory fee schedules and fee deduction methods that differ from 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, Charles Schwab Investment Services Member NYSE, SIPC, and/or TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA. 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.

SRS Capital Advisors, Inc. reserves the right to negotiate fees on a case-by-case basis. Some clients pay more or less than others depending on certain factors such as the type and size of account, existence of related accounts, anticipation of future additional assets, or other considerations that SRS Capital Advisors, Inc., in its sole discretion, determines merit an alternate fee arrangement.

For Pension Consulting Services, we offer several fee options. SRS Capital Advisors, Inc. may be compensated based on an annual percentage of plan assets for services involving ongoing reviews or it may be compensated by a fixed annual fee. Alternatively, these different types of fees may also be combined as appropriate for the different types of services requested by the client.

Typically, the annual fee for Pension Consulting Services range from 0.10% to 1.00% of plan assets depending on the services requested and the size of the plan. Fees will be based upon the value of the plan at the end of the previous period. Plan sponsors are invoiced in advance at the beginning of each quarter.

Fixed fees for Pension Consulting Services generally range from \$5,000 to \$50,000. We may request a retainer for the fixed fee arrangements in advance. The amount of a requested retainer will never exceed the fee for services to be provided within the first six months of an engagement.

Although SRS Capital Advisors, Inc. has established the aforementioned fee schedules for Pension Consulting Services, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances, and needs will be considered in determining the fee schedule.

Fees charged by SRS Capital Advisors, Inc. do not include any charge for insurance advice. Insurance advice may be given but only in the Associate's 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.

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. We make sure that any conflict of interest is mitigated by not obligating any client to purchase any products from SRS.



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.

**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. SRS Capital Advisors, Inc. has over 1,000 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, the less trading activity is required to achieve the goal of the portfolio. The more aggressive the strategy, the more trading activity 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.

We offer distinct proprietary strategies in addition to any other strategies utilized to achieve investment objectives:

1. **Trending Strategy:** The Trending strategy follows the stock market trends in six U. S. market categories, listed below, which fall in and out of favor as a current investment. At any given time, one or more of these six market segments will outperform the others. The objective of the Trending strategy is to hold three (3) or four (4) exchange traded funds (ETFs) and/or three Vanguard Index exchange traded funds that are in the best performing segments of the market.

U. S. Market Categories:

Large Cap Growth	Mid Cap Growth	Small Cap Growth
Large Cap Value	Mid Cap Value	Small Cap Value

2. QMT Strategy: The Quantitative Market Timing Strategy (QMT) takes the sum of investment dollars and divides it into six equal amounts corresponding to the above listed six market categories. We use our system to determine if we are “in” any or all segments of the equity market, or “out” of any or all segments of the equity market. At times when we are not fully invested in equity funds, we will use the same type of statistical analysis to determine whether bonds are a favorable investment. If our system tells us that it is not a favorable time to be invested in either stocks or bonds, then the investment dollars or a portion of them will remain in cash.

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.

Our Trending and QMT strategies utilize technical analysis, which is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security’s intrinsic value but instead use charts and other tools to identify patterns that can suggest future activity.

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 comprehensive manager performance tracking databases and analytics tools, macroeconomic portfolio stress testing tools, 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. 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.

SRS, in certain situations, may recommend investments in selected private placements, including limited partnerships. These types of investments may present unique risks due to the use of leverage and potential lack of liquidity. In addition, such recommendations may be limited only to clients that are terms as “Accredited Investors”, as defined in Rule 501(a) of Regulation D in the Securities Act of 1933. These types of investments also have varied and unique fee structures on their own. SRS does not receive any fee from recommending these securities other than the investment management fee that is disclosed in

item 5. Fees and Compensation, above. Due to the unique and complex nature of these investments, clients will receive a separate disclosure prior to any investments being made.

Investing in securities involves risk of loss that clients should be prepared to bear. The following are examples of the types of risk that you may incur:

- Economic risk (aka systematic risk): Risk inherent in the economy as a whole
- Market risk (aka unsystematic risk): Risk of volatility in a market or market sector
- Inflation risk: Risk that inflation will adversely affect the performance of an investment
- Interest rate risk: Risk that the value of an investment will change due to a change in interest rates
- Exchange rate risk: Risk of fluctuations in exchange rates adversely affecting the value of an investment
- Liquidity risk: Risk that an investment cannot be easily and quickly converted to cash (bought or sold) at a fair price
- Political risk: Risk that the government will unexpectedly change its policies or implement new regulations, making an investment less attractive. Political risk can also refer to the uncertainty associated with investing in countries with a political climate that is unstable
- Company risk: Risk that the company invested in fails or goes out of business
- Financial risk: Risk that equity holders have due to a firm's use of debt
- Reinvestment risk: Risk that funds cannot be reinvested at the same rate, or at all
- Manager risk: Risk that the mutual fund, or company, will suffer as a result of ineffective, poor, or underperforming management or a change in management or manager(s)
- Business risk: Risk caused by the nature of a company's business

**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 investment advisory representatives (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 15% 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, Arkansas, Arizona, California, Delaware, Florida, Georgia, Idaho, Kansas, Massachusetts, Maryland, Michigan, Missouri, Mississippi, Montana, North Carolina, Nebraska, New Mexico, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, Wyoming
- Gregory P. Seal – Colorado
- Patrick D. Johnson – Colorado, Arizona, Idaho, Maryland, and Oregon
- C. Todd Pevarnik – Colorado and Pennsylvania



- Paul W. Davis – Colorado and California
- Terry Hall – Colorado and California
- Jeffrey W. Apps – Colorado
- Catherine Hammond - Colorado
- Patrick C. South – Pennsylvania

Two of our Affiliated Persons, Bradley J. Frigon and Catherine Hammond are practicing attorneys. Mr. Frigon owns the Law Offices of Bradley J. Frigon. Ms. Hammond owns the Hammond Law Group. SRS Capital Advisors, Inc. receives no financial consideration from either Mr. Frigon or Ms. Hammond in connection with client referrals to their respective firms for legal services.

One of our Investment Advisory Representatives, Anjanette Phetteplace, owns 100% of N&A Professional Group, P.C. (N&A). N&A is a Certified Public Accounting firm. N&A clients may become SRS clients and SRS clients may become N&A clients. The practice of referring clients of SRS to N&A and vice versa may present a conflict of interest. Clients of SRS are not required to become clients of N&A and clients of N&A are not required to become clients of SRS. Since clients are not obligated to become clients of either firm and by clearly stating to clients at every point of contact whether we are working on behalf of N&A or SRS, we believe this mitigates the conflict of interest.

One of our Investment Advisory Representatives, Brian Chase, is also a partner at JDS Professional Group, (JDS). JDS is a Certified Public Accounting firm. JDS clients may become SRS clients. The practice of referring clients of JDS to SRS may present a conflict of interest. Clients of JDS are not required to become clients of SRS. Brian Chase also has a solicitation agreement with Triumph Capital, LLC. Triumph Capital, LLC is an independent firm with securities offered through Summit Brokerage Services, Inc. Brian receives compensation for fees generated from prior referrals to Triumph Capital, LLC. Brian no longer refers clients to Triumph Capital, LLC and so we believe this mitigates any conflict of interest.

SRS Investment Advisory Representatives may have their own legal business entities whose business names and logos may appear on marketing materials as approved by SRS Capital Advisors, Inc. or client statements as approved by the respective client custodian. The client should understand that the businesses are legal entities of the Investment Advisory Representative and not of SRS Capital Advisors, Inc. or the custodian(s). Investment Advisory Services of the Investment Advisory Representatives are provided exclusively through SRS Capital Advisors, Inc.

#### **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.

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 SRS 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. SRS 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 regard 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) 633-5900 or, e-mail us at: [info@srscap.com](mailto:info@srscap.com).

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

SRS Capital Advisors, Inc. has a relationship with Fidelity Brokerage Services, LLC, National Financial Services, LLC, Charles Schwab Investment Services, and TD Ameritrade Institutional, Division of TD Ameritrade, Inc. 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. Fidelity, Schwab, and TD Ameritrade all 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 Fidelity, Schwab, and TD Ameritrade are among the low-cost providers in the industry. Neither Fidelity, Schwab, nor TD Ameritrade pays SRS Capital Advisors, Inc. a referral fee for client referrals.

***Detailed information about the Fidelity, Schwab, and TD Ameritrade 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.

TD Ameritrade - SRS Capital Advisors, Inc. has an arrangement with TD Ameritrade International, Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA through which TD Ameritrade provides us with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. TD Ameritrade'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.





TD Ameritrade 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 TD Ameritrade

TD Ameritrade 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 TD Ameritrade or that settle into TD Ameritrade accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). TD Ameritrade provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

TD Ameritrade 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 TD Ameritrade 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 TD Ameritrade.

*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, Charles Schwab Investment Services, or TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA 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 an 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.

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.

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.

Per rule 206(4)-2 of the Investment Advisers Act of 1940, SRS Capital Advisors, Inc. is deemed to have custody of certain client accounts where standing letters of authorization (SLOAs) may exist. The determination of this custody is based on the structure of each SLOA. SRS Capital Advisors, Inc. conducts regular and ongoing audits of all of the SLOAs across the firm to determine which accounts we are deemed to have custody for and follows all associated SEC rules and guidelines for that custody.

#### **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@srscap.com](mailto:info@srscap.com).

**Item 18. Financial Information:**

This section is not applicable to SRS Capital Advisors, Inc. based on the way our fee structures work, as highlighted in Item 5 above.