

Form ADV Part 2A Brochure

Providence Financial Advisors, LLC

6900 College Blvd., Suite 440
Overland Park, KS 66211

www.pfa-llc.com

913-323-0535

October 13, 2023

This Brochure provides information about the qualifications and business practices of Providence Financial Advisors, LLC (PFA). If you have any questions about the contents of this Brochure, please contact us at 913-323-0535. 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.

PFA is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information from which you determine to hire or retain an Adviser.

Additional information about PFA is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated October 13, 2023, represents an amendment to the previously published Providence Financial Advisors, LLC Brochure.

Since the filing of the firm's last annual update Brochure on February 12, 2023, we have made various minor updates but no material changes were made to our Brochure.

Pursuant to regulatory requirement, we will deliver to you a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (913) 323-0535.

Additional information about PFA is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with PFA who are registered as investment adviser representatives of PFA.

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Item 4 – Advisory Business

Providence Financial Advisors, LLC (CRD # 124839) (PFA) is registered with the Securities and Exchange Commission as an investment adviser. PFA is based in Kansas and is organized as a limited liability company under the laws of the State of Kansas and the United States of America. The firm has been in business since 2003 and currently has 3 employees.

PFA's mailing address and main office location is 6900 College Blvd., Suite 440, Overland Park, KS 66211. Regular business hours are from 8:30am to 5:00pm Monday through Friday and by appointment only. The firm can be contacted by phone at (913) 323-0535 and by fax at (866) 711-3213.

Steven T. Cox, CFA, founded the firm and currently serves as President and Chief Compliance Officer. He is also the Chairman of the Investment Committee.

Mark J. Donaldson, CFA, and Steven T. Cox, Jr. are also members of the Investment Committee.

PFA provides individualized portfolio management, investment advisory/consulting and financial planning services to individuals, trusts and estates, and businesses. PFA also provides assistance and advice to businesses related to their defined contribution plans.

The firm's primary service is ongoing portfolio management. When providing these services, the firm not only makes recommendations related to investments, but also implements these recommendations and provides ongoing monitoring and reporting. Clients may elect to give the firm discretion to make all decisions (discretionary management), or may prefer to approve all decisions before implementation (non discretionary management).

The firm also provides ongoing investment advisory/consulting services. When providing these non-management services, the firm makes investment recommendations but the client is responsible for determining whether or not to implement recommendations. The client is also responsible for actual implementation.

Although some financial planning is provided as a courtesy to ongoing clients, the firm also offers separate financial planning services. These services are available generally on a project basis, but can also be structure as an ongoing engagement. In a financial planning engagement, the firm provides advice or other strategic assistance in areas such as education funding, retirement planning, estate planning, risk management, employee

benefits planning, tax planning, etc. In financial planning engagements, clients are responsible for determining whether or not to implement a recommendation, and if they decide to do so, are responsible for actual implementation.

In addition these services that are provided to individuals, the firm also provides retirement plan services to businesses where the firm provides plan level services such as discretionary management services, non-discretionary management services, and investment advisory services related to different types of retirement plans. When providing management services, the firm is responsible for implementing recommendations. When the firm is providing advisory services, the client is responsible for implementation of recommendations.

Regardless of the services provided, each is tailored to the individual needs of a particular client (whether an individual, a family, or a business) through an assessment conducted prior to an engagement. Clients may impose restrictions related to the level of discretion granted, the types of investments used, etc. Terms of an actual engagement, including description of service, limitations and restrictions, fees, etc., are all detailed before any engagement begins in a written client agreement.

Because PFA is a registered investment adviser, we are required to meet certain fiduciary standards when providing investment advice to clients. Additionally, when we provide investment advice related to a retirement plan account or an individual retirement account, we are considered fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. As such, we are required to act in your best interest and not put our interest ahead of yours, even though our compensation creates some conflicts with your interests in that the more you have us manage, the more we can earn. Our clients however are under no obligation to use services recommended by our associated persons. Furthermore, we believe that our recommendations are in the best interests of our clients and are consistent with our clients' needs.

As of 11/30/2022, PFA managed approximately \$298,295,491 of assets, of which approximately \$247,395,761 was managed on a discretionary basis and approximately \$50,899,730 was managed on a nondiscretionary basis. PFA also provided ongoing advisory services on approximately \$80,616,857 of additional assets.

Item 5 – Fees and Compensation

Ongoing Portfolio Management/Advisory Fees

Fees are calculated based on the asset level at the end of each month or quarter, depending on contract terms. The standard fee schedule for services is as follows:

<u>Assets</u>	<u>Annual Fee</u>
Less than \$50,000	2.00%
\$50,001 - \$500,000	1.50%
\$500,001 - \$1,999,999	1.00%
\$2,000,000 - \$4,999,999	0.80%
Over \$5,000,000	negotiable

Fees are negotiable based on the actual level of service provided, and family accounts are aggregated for fee purposes. For account charged in advanced, client may terminate with 30 days written notice and unearned fees will be refunded on a pro rata basis. Fees are generally due quarterly in arrears and deducted from the account, although clients may elect to receive direct billing.

In addition to the fees charged by us, the client will also pay mutual funds' internal management and distribution fees as detailed in each fund's prospectus. Any transaction fees levied by a broker or custodian executing a trade on behalf of a client will also be paid by the client.

Project Oriented Financial Planning/General Consulting

Fees for project oriented engagements are generally charged at a rate of \$150 per hour, but will be agreed upon in advance. The fees are payable upon completion of the project or according to the schedule agreed upon prior to commencement of the project.

Retirement Plan Services

Fees for defined contribution plan services provided to businesses are generally quoted based on assets advised or are quoted on a fixed fee basis. The fees are negotiable based on the size and type of the relationship. Fees are generally payable quarterly in arrears.

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

PFA does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client), and consequently does not simultaneously manage performance based and non performance based accounts.

Item 7 – Types of Clients

As noted in Item 4, PFA provides its services to individuals, trusts and estates, businesses and defined contribution plans.

We do not typically require a minimum dollar value of assets; however, we reserve the right to decline or accept any prospective account.

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

PFA's general investment strategy, consistent with the tenets of modern portfolio theory, is to attempt to reduce risk and volatility by building globally diversified portfolios.

To implement this strategy, PFA primarily use fundamental security analysis. While mutual funds and exchange traded funds are the primary investment vehicles used in client accounts, we may also use various other investment vehicles in the implementation of our strategies, including long-term purchases (securities held at least a year), short-term purchases (securities sold within a year), trading (securities sold with 30 days), margin and options.

Investing in securities involves risk of loss that clients should be prepared to bear. Such risks include market risk, interest rate risk, currency risk, and political risk, among others. Certain trading strategies can affect investment performance through increased brokerage and other transactions. Each client's propensity for risk however is thoroughly evaluated, documented, and considered throughout the portfolio implementation process.

No investment strategy can assure a profit or avoid a loss.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management. PFA is currently not subject to, nor has ever been subject to, any legal or disciplinary events of a material nature.

Item 10 – Other Financial Industry Activities and Affiliations

PFA has an arrangement with Prairie Capital Management Group LLC whereby PFA shares fees for mutual clients. Clients are not however required to use the services of Prairie Capital Management Group LLC. Please see Item 14 in this brochure for additional information on this arrangement.

PFA has no other financial industry activities and has no other financial industry affiliations.

Item 11 – Code of Ethics

Code of Ethics

PFA has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The PFA Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and details practices for reviewing the personal securities transactions of supervised persons with access to client information. The Code also requires compliance with applicable securities laws, addresses insider trading, and details possible disciplinary measures for violations. PFA will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer.

Trading Conflicts of Interest

Individuals associated with PFA are permitted to buy or sell securities for their personal accounts identical to or different than those recommended to clients. However, no person employed by PFA is allowed to favor his or her own interest over that of a client or make personal investment decisions based on the investment decisions of advisory clients.

In order to address potential conflicts of interest, PFA requires that associated persons with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. PFA also requires prior approval from the Chief Compliance Officer for investing in any IPOs or private placements (limited offerings).

Item 12 – Brokerage Practices

The Custodian and Brokers We Use

PFA does not maintain possession of client assets. Instead, we require all client assets be maintained in an account at a non affiliated “qualified custodian,” generally a broker-dealer or bank. We currently recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as a qualified custodian. We are not affiliated with Schwab but instead are independently owned and operated. Schwab will hold your assets in a brokerage account and will buy and/or sell securities upon your instructions.

While we recommend that you use Schwab as custodian/broker, you will ultimately decide whether to do so. You will open your account with Schwab or another custodian/broker by entering into an account agreement directly with them. We do not actually open accounts for you, although we can assist you in doing so. We will assist you in opening an account at whatever custodian/broker you decide to use.

How We Select Custodians and Brokers

When recommending a custodian or broker for our clients, we consider many different factors including quality of service, types of services offered, overall capability, execution quality, competitiveness of transaction costs, availability of investment research, reputation, financial resources, and stability, among other things. In determining the reasonableness of a broker’s compensation, we consider the overall cost to you relative to the benefits you receive, both directly and indirectly, from the broker.

Your Brokerage and Custody Costs

Our clients receive various services directly from Schwab, our custodian. For our clients’ accounts that Schwab maintains, Schwab generally does not charge separately for custody services but instead is compensated by charging commissions or other fees on trades that it

executes or trades that are executed by other brokers to and from Schwab accounts. Fees applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a certain level of assets at Schwab. We feel that this commitment benefits you because the overall rates you pay may be lower than they might be otherwise.

Since Schwab charges you a fee for each trade that we have executed by a different broker-dealer, we have Schwab execute most trades for your account in order to minimize your trading costs.

We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means seeking the most favorable terms for a transaction based on all relevant factors, including those listed above.

Products and Services Available to Us From Brokers/Custodians

Our primary custodian provides us and our clients with access to its institutional brokerage services like trading, custody, reporting, and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services, some of which may help us manage or administer our clients’ accounts, while others may help us manage and grow our business.

Schwab’s institutional brokerage services which benefit you directly include access to a broad range of investment products, execution of securities transactions, and asset custody. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Schwab 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 investment research, both Schwab’s own and that of third parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that provide access to client account data, facilitates trade execution for multiple client accounts, provides pricing and other market data, facilitates payment of our fees from our clients’ accounts, and assists with back-office functions, recordkeeping, and client reporting.

Schwab also offers other services intended to help us manage and further develop our business. These services include educational conferences and events, consulting on technology, compliance, legal, and business needs, publications and conferences on practice management and business succession, and access to employee benefits providers, human capital consultants, and insurance providers.

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. Of course, this may give us an incentive to recommend that you maintain your account with Schwab based on our interests rather than yours, which is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients, and is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

Although PFA receives some benefits as mentioned above, PFA does not engage in or participate in formal soft dollar arrangements where the firm is required to . direct a specific volume of client brokerage trades to broker/dealers in exchange for specific soft dollar credits.

Item 13 – Review of Accounts

Reviews of Accounts

Client accounts are supervised by one or both principals of the firm. Although accounts are generally assigned to one principal, some accounts may be reviewed jointly. In addition to ongoing supervision, accounts are generally reviewed more formally on a quarterly basis. The quarterly review generally includes assessing client goals and objectives, evaluating the employed strategy, monitoring the portfolio, and addressing the need to rebalance. One or both of the principals will periodically, and at least annually, review client's investment policy and risk profile, and discuss the re-balancing of each client's accounts to the extent appropriate.

Additional account reviews may be triggered by a specific client request, by a change in client goals or objectives, by an imbalance in a portfolio asset allocation, or by market or economic conditions.

All ongoing clients are advised that it remains their responsibility to advise of any changes in their investment objectives and/or financial situation.

Regular Reports Provided to Clients

Clients are provided with account statements from their custodian on at least a quarterly basis which list account holdings and transactions for the period. Clients may also be provided by PFA with written performance reports (usually on a quarterly basis) that detail current market value, performance relative to market benchmarks, and overall portfolio allocation.

We urge our clients to carefully review custodial statements when received and to compare them to reports received from us.

Item 14 – Client Referrals and Other Compensation

PFA may pay outside individuals or other professional entities to refer clients to us from time to time. Such arrangements are structured to be in compliance with applicable securities laws. For example, where applicable a client is provided a disclosure prior to or at the time of entering into any advisory contract which describe the specific compensation arrangement. The advisory fee charged to clients does not increase as a result of such referral arrangements.

PFA receives economic benefits from our custodians in the form of the support products and services that are made available to us and to other independent investment advisors. These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 above. The availability to us of our custodian's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Item 15 – Custody

As mentioned in Item 12 above, we do not hold client assets but instead require that they be held by a third party "qualified custodian." We may, however have limited control in some instances to trade on your behalf, to deduct our advisory fees from your account with

your authorization, or to request disbursements on your behalf (although various types of written authorizations are required depending on the type of disbursements).

You will receive account statements directly from your custodian at least quarterly, which will be sent to the email or postal mailing address you provide. We urge you to carefully review these custodial statements when you receive them and to compare them to reports you receive from us.

Item 16 – Investment Discretion

PFA will accept discretionary authority to manage securities accounts on behalf of clients, although we will also accept non discretionary accounts.

When granted authority to manage accounts, we customarily have the authority to determine which securities and the amounts that are bought or sold. Any discretionary authority accepted by us however is subject to the client's risk profile and investment objectives, and may be limited by any other limitations provided by the client in writing.

PFA will not exercise any discretionary authority until it has been given authority to do so in writing. Such authority is granted in the written agreement between PFA and the client, and in the written agreement with the third party custodian.

Item 17 – Voting Client Securities

PFA does not vote proxies for clients but will, upon request, discuss with the client any questions regarding proxy matters to assist the client in making an informed decision in voting proxies themselves.

Item 18 – Financial Information

Registered investment advisers are required in some cases to provide certain financial information and or disclosures about their financial condition. For example, if the firm requires prepayment of fees for six months in advance, has custody of client funds, or has a condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients, it must provide financial information and make certain disclosures.

PFA has no financial or operating conditions which trigger such additional reporting requirements.