

Form ADV Part 3: Relationship Summary Strategic Financial Services, Inc.

Introduction

Strategic Financial Services is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and the fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: We provide several investment advisory services to retail investors. Our Wealth Management Services encompass both financial and investment planning—aligned with each client’s unique circumstances—and discretionary investment management. Within Wealth Management, we offer the Strategic Gold & Platinum Program for clients with more than \$500,000 in investable assets. This program provides comprehensive planning, a recommendation of at least one annual review, and ongoing account monitoring. We also offer the Strategic Blue Program for clients with less than \$500,000 in investable assets, which includes foundational financial planning and discretionary investment management. Blue clients are encouraged to request reviews when life or financial circumstances change. For both services we are always available on an as-needed basis.

We also provide Retirement Plan Participant Education & Advice for employees whose plan sponsors engage us for advisory services. This can include group sessions and one-on-one consultations about plan investments, financial concepts, and plan features, with the exact scope depending on our arrangement with the plan sponsor. Advice will be given on a one-on-one basis and an one-time engagement agreement may be requested before giving advice. Advice is not ongoing. All participant services are provided as a one-time, point-in-time engagement only and do not include ongoing monitoring or proactive advice; participants must re-engage with us if they desire further guidance or updates. For more information about our discretionary authority and investment management process, please see Item 16 of our Form ADV Part 2A.

Limited Investment Offerings: We invest in publicly traded securities (stocks, bonds, funds) available through your account’s custodian. We do not offer proprietary products.

Account & Fee Minimums: The minimum for a Gold and Platinum relationship is at least \$500,000. There is no minimum investment amount required for our Blue Program. Exceptions will be made at our discretion.

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Fees for our Wealth Management Services are charged as a percentage of assets under management and are billed quarterly in advance. The fee is calculated based on the fair market value of your account as of the last business day of the previous billing period. Our annual fees follow a tiered schedule, ranging from 0.45% to 1.50% of the account value. Because our fees are based on the total value of your accounts, we have a financial incentive to recommend increasing the assets under our management. For Retirement Plan Participant Education and Advice there is no direct charge to the plan participant; instead, we charge the retirement plan and/or plan sponsor an investment advisory fee. The plan sponsor may choose to cover these costs or pass them on to participants, either from plan assets or other sources. In addition to our advisory fees, you may incur other costs depending on your specific situation. These potential costs can include transaction fees charged by the broker-dealer or custodian for executing trades, as well as internal fees and expenses associated with any funds held in your account. The exact fees applicable to your account will depend on factors such as the investment products selected and custodial arrangements in place.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about the fees we charge and the other fees and expenses you will incur, please see **Item 5 of Form ADV Part 2A**.

Conversation Starters: Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

**What Are Your Legal Obligations to Me When Acting as My Investment Adviser?
How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

Standard of Conduct: When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here are two examples to help you understand what this means. (1) To the extent we recommend you roll over your account from a current retirement plan to an individual retirement account (“IRA”) managed by us and subject to our asset-based investment advisory fees, this is a conflict of interest because we have a financial incentive to recommend that you move your IRA to us even if it is not in your best interest. For more information about this conflict and our procedures to mitigate the conflict, see **Item 4** of our **Form ADV Part 2A**. (2) When we provide asset management services, we will ask that you establish an account with Charles Schwab & Company, Inc. to maintain custody of your assets and to affect trades for your account. Our recommendation to use Schwab is not based solely on your interest in receiving the best execution possible. We also recommend Schwab because they provide us with research, products, and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which saves us money but also creates a conflict of interest. See **Item 12** of our **Form ADV Part 2A** for more information.

Conversation Starters: How might your conflicts of interest affect me, and how will you address them?

Additional Information: For more information about our conflicts of interest and the ways we are compensated, please see **Item 5** of our **Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: Our Investment Adviser Representatives (IARs) are compensated with a base salary that reflects their experience, the size of their book of business, and their contributions to various firm roles. In addition to their base salary, IARs receive bonuses based on both new assets brought into the firm and the retention of existing assets, aligning their incentives with firm growth and client relationship management. Furthermore, we offer a referral program available to all employees, where they are eligible to receive a bonus for sourcing a prospective client and facilitating an introductory meeting. Notably, the referred individual does not need to become a client for the referral bonus to be paid.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

Yes, one of our investment adviser representatives has two disclosure events. As a firm, we do not have any legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

Conversation Starters: As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information About Strategic Financial Services

Additional information about us and a copy of this relationship summary are available on the Internet at <https://investstrategic.com/>. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/109677>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at 315-724-1776.

Conversation Starters: Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?