

## Founders Financial Alliance, LLC

CRD#173011

Form ADV Part 3

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### Item 1. Introduction

#### Investment Adviser

**Founders Financial Alliance, LLC**, is an investment adviser registered with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ, and it is important for a retail investor (defined as a natural person, or the legal representative of such natural person, who seeks to receive or receives services primarily for personal, family, or household purposes) to understand the differences. Free and simple tools are available to research firms and financial professionals on the SEC's investment education website at [Investor.gov/CRS](http://Investor.gov/CRS) which provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2. Relationships and Services

*What investment services and advice can you provide me?*

#### Description of Services:

We offer investment advisory services utilizing unaffiliated third-party portfolio managers, mutual funds, exchange-traded equity, among other investments, and provide financial planning and consulting services to help you set goals and plan for your financial future.

**Monitoring:** We monitor investments at least quarterly, and more frequently when there is an investment specific or market driven event that could impact investments. There are no material limitations on our monitoring services.

**Investment Authority:** We manage assets within managed accounts on a discretionary basis (executing securities transactions without having to obtain prior consent from you). However, you will always make the final decisions. Additionally, we manage assets within managed accounts on a nondiscretionary basis (we obtain permission prior to the sale or purchase of each security within the managed account).

**Limited Investment Offerings:** We do not offer any proprietary investment products.

### 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?*

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

*What fees will I pay?*

#### Description of Principal Fees and Costs

We charge the following fees:

<u>Assets Under Management</u>	<u>Annual Rate (%)</u>
First \$500,000	Up to 2.00%
Next \$500,001 - \$1,000,000	Up to 1.95%
Next - \$1,000,001 - \$5,000,000	Up to 1.90%
Over \$5,000,000	Negotiable

\* The fee is negotiable up to 2% of assets under management based on the assets being managed, range of services being provided, and the service provider.

#### Financial Planning & Consulting Fees

We offer financial planning and consulting services on a fixed or hourly basis. Fixed fees generally range from \$200 to \$15,000 and the hourly fee generally ranges from \$200 to \$400.

**Conflicts of Interest:** Certain associated persons are registered representatives of an unaffiliated broker-dealer (LPL Financial) and insurance agents appointed with various insurance companies. They earn commissions for buying and selling securities and insurance products.

When we offer multiple services, there is an incentive to recommend other services offered by us, our employees, or associates because of receipt of additional fees and commissions, causing a conflict of interest.

The more assets that you have in your advisory account, the more you will pay in fees, creating an incentive for us to encourage you to increase the amount of assets in your accounts.

**Description of Other Fees and Costs:** Client accounts will incur additional fees and charges, such as transaction costs, retirement plan administration fees, and other mutual fund annual expenses that are charged

by broker-dealers, plan administrators or mutual fund companies that sell securities or provide additional services. These fees are in addition to and separate from advisory fees.

**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.

*Additional information concerning our fees and costs, how the fees are calculated and our conflicts of interest, can be found at*

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=623660](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=623660)

#### Conversation Starters:

*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?*

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

**When we act as your investment adviser, we have to act in your best interest and not put our interests 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 some examples to help you understand what this means:**

A conflict of interest is created whenever we or one of our associated persons recommend products or services to you for which we receive compensation.

*How do your financial professionals make money?*

Financial professionals are investment adviser representatives and receive a portion of fees generated by the client relationships being serviced including the amount of client assets. Some financial professionals are registered representatives and insurance agents appointed with various insurance companies. They earn commissions for buying and selling securities and insurance products.

Some of our Financial Professionals are registered representatives of LPL Financial LLC ("LPL"), an SEC registered broker-dealer and investment adviser. Your Financial Professional may offer you brokerage services through LPL or investment advisory services through our Firm. Brokerage services and investment advisory services are different, and the fees we, and LPL, charge for those services are different. It is important that you

understand the differences. In particular, your Financial Professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing <https://www.lpl.com/disclosures.html> and having a discussion with your Financial Professional. You can also access free and simple tools to help you research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**Conversation Starter:** *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?*

#### Item 4. Disciplinary History

##### Investment Adviser

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

Do you or your financial professionals have a legal or disciplinary history? **Yes**

*Use the following link for information regarding investment adviser representatives:*

<https://www.adviserinfo.sec.gov/IAPD/Default.aspx>

#### Item 5. Additional Information

##### 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?*

A retail client can find additional information about our services and receive a copy of this relationship summary by visiting our website <https://foundersfa.com/> or contacting James Sloop, Chief Compliance Officer of Founders Financial Alliance, LLC by email at [james.sloop@foundersfa.com](mailto:james.sloop@foundersfa.com) or by telephone at (855) 860-5940 if you have any questions or to request up-to-date information.