

## MARCH 15, 2021: FORM CRS (CLIENT RELATIONSHIP SUMMARY)

### A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH STERNECK CAPITAL MANAGEMENT, LLC

Sterneck Capital Management, LLC is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is essential for you to understand these differences. Free and simple tools are available to research firms and our Financial Professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## ITEM 2 – RELATIONSHIPS AND SERVICES

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Our Firm offers investment advisory services to retail investors on a discretionary basis, and you have granted written investment authority to your Financial Professional to execute purchase and sell orders in your advisory accounts without speaking with you first. However, the investment decisions made with discretionary authority are based on initial discussions and agreed-upon strategy aligned with your financial goals and objects, as noted on your executed Investment Policy Statement. Sterneck Capital also provides executive coaching to interested clients in an effort to support their professional advancement and success. Our Firm monitors your investments, and this service is included as part of the Firm's standard advisory services. In order to provide advisory services to you, we require a minimum account value of \$500,000, but this minimum is negotiable. In addition, our Firm offers financial planning and consulting services to our clients. Financial Planning services can be provided on a stand-alone basis or in conjunction with our investment management services. We will provide general investment recommendations, on a limited basis, to our clients. In a consulting engagement, you will be required to select your own investment managers, custodian, and/or insurance companies for the implementation of consulting recommendations.

#### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- 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?

**FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 4, 7, 13 AND 16**

## ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

### WHAT FEES WILL I PAY?

Our Firm receives a fee as compensation for providing advisory services on your account. The investment management fee includes investment management supervision, trade entry, and other account maintenance and/or service activities. The custodian charges transaction costs, custodial fees, redemption fees, retirement plan and administrative fees, or commissions. Our Firm's management and service fees are billed as follows: Investment management fees are based on an annual percentage of the total account value, ranging from 0.40% to 1.50%, of which a 1.0% management fee is most typical. The more assets in your advisory account, the more you will pay in fees, and therefore, the Firm has an incentive to encourage you to increase the asset value in your account. Fees for financial planning services range from \$250-\$3500 for the first year in which a comprehensive financial plan is delivered while consulting services fees are negotiated on a fixed dollar amount. 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.

#### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- 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?

**FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5**

### 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?

*When we act as your investment adviser, we have to 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 some examples to help you understand what this means. 1) Asset-based fees present a conflict because our Firm is incentivized by encouraging you to invest additional funds in your advisory accounts. The following are examples where asset-based fee compensation poses a conflict: a) Advising you to rollover a 401(k) balance, when equivalent and less costly options are available if funds are left with the employer's fund manager. b) Advising you not to pay off a mortgage (thus diminishing assets), even when the mortgage carries a high interest rate. c) Advising you against making a large charitable contribution to get a tax deduction (but decrease assets under management). d) Advising you to take a margin position in your managed account and charging fees on the margin balance. Other examples of possible conflicts are: 2) We utilize solicitors and pay compensation to independent third parties for the referral of clients to our Firm. 3) Our Firm has an incentive to recommend certain products, such as Flat Rock Global, because we receive additional compensation for using these investments. To minimize this conflict, our Firm will make our recommendations and selections of products that are only in the best interest of our clients. 4) Our firm allows our Financial Professionals to invest in the same securities as you; therefore, our Financial Professionals may have an incentive to favor their personal accounts over your advisory account. 5) Lastly, some of the products, services and other benefits provided by your custodians are used in servicing all of our Firm's advisory accounts and therefore may not directly benefit your advisory account. If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional.

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**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

**FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5, 10, 11, AND 14**

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**HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our Firm's Financial Professionals are compensated by the investment advisory fees as described above in Item 3 Fee section. Investment advisory fee compensation is based on the amount of assets they service, the amount of time spent, and the complexity required to meet the client's needs or revenue based on the recommendations provided by our Financial Professionals. While some of our Firm's Financial Professionals are engaged in Outside Business Activities, Financial Professionals are required to disclose material outside business activities and any conflict it may pose to you. Our Firm supervises the outside business activities of our Financial Professionals through our compliance program, and all Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you.

**ITEM 4 – DISCIPLINARY HISTORY**

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**DO YOU OR YOUR FINANCIAL REPRESENTATIVES HAVE LEGAL OR DISCIPLINARY HISTORY?**

No. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals

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**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

- As a Financial Professional, do you have any disciplinary history? For what type of conduct?

**FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 9**

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**FOR ADDITIONAL INFORMATION ABOUT OUR SERVICES OR AN UP TO DATE COPY OF THIS CLIENT RELATIONSHIP SUMMARY, PLEASE CONTACT:**

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**4510 BELLEVIEW, SUITE 204**  
**KANSAS CITY, MO 64111**  
**PHONE: 816-531-2254**  
**[HTTPS://STERNECKCAPITAL.COM](https://sterneckcapital.com)**

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**QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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