

A Summary of Your Advisory Relationship with Strategic Asset Management, Inc.

June 1, 2020

Strategic Asset Management, Inc. is a SEC registered investment adviser.

Brokerage and investment advisory services and fees differ and that is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at *Investor.gov/CRS*, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Our firm offers investment advisory services to retail investors on a discretionary basis. Investment discretion allows us to place trades in your account without contacting you for permission prior to each trade. Our discretionary authority allows us to determine the security to buy or sell, the amount to buy or sell and the broker-dealer to be used. This authority is given when entering into our Investment Advisory Agreement. We use model asset allocation portfolios. Each model portfolio is designed to meet particular investment goals and risk levels. Based upon your stated objectives and goals, tolerance for risk, liquidity, and suitability, we recommend one or more of the asset allocation models. Our investment recommendations are not limited to our primary asset allocation models. We include advice on exchange listed securities, mutual funds, certificates of deposit, bank savings accounts, non-managed retirement plans, and annuities. We monitor the underlying securities within our asset allocation models daily and our clients' portfolios quarterly. We do not have account size minimums. Investment advisory contracts can be terminated at any time. We provide advisory services to individuals, high net worth individuals, pension and profit sharing plans, corporations and other businesses.

[See Firm Brochure](#)

[See Firm Website](#)

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?

Management fees on advisory accounts are based upon the percentage of assets under management or fixed fee arrangements. Management fees on these accounts are debited quarterly, in advance, from each account that is under our management. A conflict is the more assets you have in your account, the more fees you will pay. Therefore, there is an incentive for us to encourage you to increase the assets in your account. We are also

incentivized to grow the account. Other potential fees are custodian fees, fees related to mutual funds, ETF's and other transactional fees.

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.

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 to you have?

An investment in an annuity will result in a commission from an insurance company. The commission may impair the objectivity when making advisory recommendations. We endeavor at all times to put the best interest of the client first as part of our fiduciary duty.

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.

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

How do your financial professionals make money?

Compensation for advisory clients is based on a percentage fee applied to the amount of assets under management. Commissions are paid on annuities from insurance companies.

Do you or your financial professionals have legal or disciplinary history?

No. Please go to [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research financial professionals.

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

Who is my primary contact person?

Your primary contact is your investment adviser. Administrative questions can be directed to Kristina Zimmerman. The telephone number for Strategic Asset Management, Inc. is 614-451-0200.