

Item 1 Cover Page

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Strategic Financial Alliance LLC. If you have any questions about the contents of this brochure, please contact us at (339) 502-6075 or via email at msly@sfallc.biz. 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.

Additional information about Strategic Financial Alliance LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Strategic Financial Alliance LLC is 129178 .

Strategic Financial Alliance LLC is a Licensed Investment Adviser. Registration with the United States Securities and Exchange Commission or licensure with any state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

SUMMARY OF MATERIAL CHANGES

Strategic Financial Alliance LLC 's Brochure has been updated with the following material changes that have occurred since the last annual update of our brochure on 1/9/2025 .

There have been no material changes to the Firm's services, advisors or fee structure since the last update of the brochure.

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Item 4 Advisory Business

ADVISORY BUSINESS

Strategic Financial Alliance LLC (“SFA”) was organized in January of 2000. SFA is a Massachusetts Limited Liability Company whose majority owner is Michael E. Sly, CFP®, CPA. The Firm is a Licensed Investment Advisor in the State of Maine and Registered with the Commonwealth of Massachusetts Securities Division.

SFA provides professional services in the areas of investment advisory, investment management, and comprehensive personal financial planning.

Investment advisory services generally involve the review and analysis of existing investment holdings and providing recommendations of appropriate categories for investing or making specific investment purchase recommendations.

Investment Management generally involves establishing an investment portfolio strategy, developed by and managed by SFA, based on an analysis of the client’s risk tolerance and a review of their financial goals. The appropriateness of investment types and risk tolerance is discussed with the clients during our review. Client input is always welcomed, and if appropriate and with SFA’s approval, clients can initiate changes in holdings or strategy for their portfolios. Clients have the ability to impose restrictions on investing in certain securities or types of securities. Client portfolios are constructed with investments in stocks, bonds, ETFs, mutual funds and alternative investments, as appropriate.

As of November 2024, assets under management on a discretionary basis by SFA total \$33,428,000.

As of November 2024, assets under management on a nondiscretionary basis by SFA total \$7,366,000.

Comprehensive Personal Financial Planning is a holistic approach to managing personal finances, covering various aspects of an individual’s financial life. It involves setting financial goals, creating a plan to achieve those goals and monitor the process along the way. The planning process involves a review in the areas of estate planning, tax planning, liability protection including life, health and property insurance, investment appropriateness, cash flow management, financial budgeting, college and life events funding and other related areas. A plan document is created mapping out steps to achieve the client’s financial goals. The Plan is then monitored to ensure proper steps are taken to accomplish those goals.

Item 5 Fees and Compensation

FEES AND COMPENSATION

DISCRETIONARY INVESTMENT MANAGEMENT

SFA is a fee only advisory firm. Fees for portfolio management services are calculated as a percentage of assets under management. The Firm has a standard fee schedule, but there is some flexibility depending on the portfolio structure and the work to be performed. The fees are charged at a rate of 1.5% for cumulative client accounts totaling between \$-0- and \$250,000; 1.25% for cumulative client accounts totaling between \$250,001 and \$750,000; 1.0% for cumulative client accounts totaling between \$750,001 and \$1,250,000; 0.9% for cumulative client accounts totaling between \$1,250,001 and \$2,500,000 and 0.75% for cumulative client accounts totaling in excess of \$2,500,000.

Portfolio management fees are deducted quarterly, in advance, from client accounts based on the contracted rate. Upon request, clients may send payment via check (not deducted from accounts). Fees are based on the account value as of the last day the stock markets are opened for the previous calendar quarter. If the client contract is terminated during a quarter, SFA will refund a pro rata share of the fee paid for services that were not incurred.

COMPREHENSIVE FINANCIAL PLANNING

The Firm also provides Comprehensive Financial Planning services for a fixed fee. The fee will be determined based upon the complexity and nature of the particular service or financial plan. The fee will be negotiable. The fixed fee, determined by the anticipated work at our standard hourly rates, is payable in equal installments, each month during the twelve-month contract. The first payment is due at the beginning of services performed. If the client terminates the arrangement with the Firm prior to its completion, a refund will be provided, if applicable, after a deduction is taken based upon the amount of the services already performed.

FINANCIAL CONSULTING

SFA provides financial consulting services, contracted on an hourly basis. Examples of these services provided include:

- a) Review and advise related investment portfolio asset allocation
- b) Advice related to specific investment opportunities
- c) Advice related to health, life and property/casualty insurance options
- d) Advice related to timing and structure of pension, retirement account, annuity and social security options
- e) Advice related to the tax implications of lifestyle changes and investment activities
- f) Review of estate planning legal documents

Clients will select the services to be provided. Compensation for these services will be billed at the Advisor's standard hourly billing rates ranging from \$150 - \$300/hour. Fees will be invoiced following the completion of the requested services and will be payable upon receipt of the invoice.

ADDITIONAL FEES

In addition to fees paid for SFA services, clients may incur transactional costs charged by the third-party investment firm used for investment custodial services.

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

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGMENT

SFA does not utilize or participate in these activities.

Item 7 Types of *Clients*

TYPES OF CLIENTS

SFA provides investment advisory, comprehensive personal financial planning and investment portfolio management services to corporations, individuals, and trusts. SFA will provide services to these listed types of clients where there is a good fit with the client requirements and the expertise of the Firm. Clients are required to open up related investment accounts with the Firm's custodian.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

All investments involve risk of loss. SFA's philosophy is to implement an investment strategy, utilizing our expertise that is in line with the goals structured by our clients given the risk tolerance that they understand and are willing to embrace. We structure strategies that involve mid to long-term goal achievement, with consideration for the short-term impact of current political and economic events that affect the markets. Appropriate asset allocation and investment diversification are critical components of our strategy. SFA does not recommend primarily a particular type of investment or any investment that involves significant or unusual risks.

The main types of investment risks related to our client accounts include:

- Equity Risk: the risk of volatility inherent in investing in a company stocks
- Interest Rate Risk: the risk of debt securities or bonds values changing with changes with market interest rates
- Currency Risk: the risk of fluctuations in foreign currencies affecting the investment values
- Market Risk: the risk of investments declining in value because of economic developments or other events that affect the entire stock market
- Liquidity Risk: the risk of being unable to sell your investment at a fair price and ter you money out when you want to

In addition to maintaining an investment policy consistent with long-term goal achievement, we strive to maintain cost and tax efficiency in our client accounts. Trading activity is thoughtful and addressed to minimize client transactional costs. The tax compliance background of our firm's principal enables consideration for the tax implication of investment transactions to be another critical component of our overall investment strategy. Tax considerations are not the primary concern when contemplating adjustments to client accounts but are an important aspect of decision making when considering the overall performance. Unusual risks are minimized by the firm's focus on long-term objectives and the emphasis on investment quality.

Item 9 Disciplinary Information

DISCIPLINARY INFORMATION

SFA and the firm's licensed advisors have not been involved in any disciplinary actions to date.

Item 10 Other Financial Industry Activities and Affiliations

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Michael E. Sly is a licensed Certified Public Accountant in the states of Maine and Massachusetts. As a licensed CPA, Michael is involved in tax compliance work for his investment clients. This work is not deemed to create a material conflict of interest as it relates to the Firm's investment and planning services.

Item 11 Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

***CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS
AND PERSONAL TRADING***

Some of the investments found in client portfolios can be found in the personal accounts of SFA personnel. These personal holdings would not have any material impact on the investments or the performance of the underlying companies or other related entities. The personal trading of these investments would be made only if they are appropriately related to the financial goals and objectives of the SFA personnel.

Firm policy does not allow securities of a company in which any Firm personnel materially participate to be bought in any client accounts. This policy was established to ensure no conflict of interest occurs.

If it is discovered that Firm personnel have invested in the same securities at or about the same time that they have recommended to clients, Firm policy requires a review of the related accounts to ensure no material conflict of interest exists.

Item 12 Brokerage Practices

BROKERAGE PRACTICES

SFA uses Fidelity Investments as the custodial firm to house client account investments. Fidelity Brokerage Services LLC transacts the related purchases and sales of investments. No commissions are paid to SFA or Fidelity Brokerage Services LLC for the executed trading activity. SFA receives no proprietary research or other incentives from Fidelity Brokerage Services LLC. SFA ensures that the clients receive the most favorable execution of trading activity.

Item 13 Review of Accounts

REVIEW OF ACCOUNTS

Client investment accounts are reviewed on an ongoing basis, but at least quarterly. On an annual basis (or more frequently if determined to be necessary), client portfolios are reviewed to ensure that the asset allocation is appropriate based on the documented client goals, objectives and risk tolerance. This review is performed by a principal in the firm.

More frequent reviews are triggered by changes in the economic environment, changes in the client's financial situation (e.g. family births/deaths, job changes, medical health changes, inheritances, etc.) and client modifications to investment risk tolerance.

Annually (or more often at the client's request) portfolio analyses which provide information to clients on investment holdings, asset allocation, portfolio/investment performance and period gains/losses are prepared, in addition to the monthly investment statements provided by the custodial firm. Written reports include discussions of economic issues affecting the investment markets and the client portfolios.

Item 14 *Client Referrals and Other Compensation*

CLIENT REFERRALS AND OTHER COMPENSATION

SFA does not receive any economic benefit for providing investment advice, other than the fees previously discussed. SFA does not pay any personnel or third party a fee as compensation for referring a potential client to the Firm.

Item 15 *Custody*

CUSTODY

Fidelity Investments provides custodial services for SFA. All client assets are held in accounts at Fidelity Investments. Fidelity provides monthly investment statements for all client accounts, either by mail or electronic access. These statements provide information on account changes during the month (investment trades, income earned, transaction costs & fees) as well as portfolio holdings. SFA does not hold custody of any client investments. SFA recommends that clients review these statements to ensure propriety of holdings and activity.

Item 16 Investment Discretion

INVESTMENT DISCRETION

With the client's signing of the Portfolio Management and Services Agreement, clients designate SFA as his/her agent and attorney-in-fact to buy and sell securities or other investments for Client's Account. This discretionary authorization is also provided by the client signed Account Application form with the custodial firm. When discretionary authority is given to actively manage client securities accounts, the investment choices are made in a manner that is consistent with the documented client's financial goals, objective and risk tolerance determined during client meetings and discussions.

SFA is not authorized to withdraw from client's account any money, securities, or property without the express authorization of the Client. Additionally, any such withdrawals may only be done in the name of the Client and must be mailed to the address of record on the Client's account.

When clients do not provide SFA with discretionary authorization for their investment accounts, trading activity in those accounts is only performed with written client direction.

Item 17 Voting *Client* Securities

VOTING CLIENT SECURITIES

Clients may choose to have SFA vote their securities during the account application process. This preference can be changed at any time with a written request from the client. Any client input or concerns are considered during the voting process. All perceived conflicts of interest will be communicated to the clients. Clients can obtain information regarding the Firm's proxy voting procedures or specific details of votes made, by contacting our office. SFA will review the details provided by the related company for the proxy votes or other solicitations in order to make informed voting decisions.

If clients choose to vote client securities, the custodial firm is notified via the account application process or via a submitted account maintenance notice to the custodian if the account already exists. All future solicitations will be made directly to the client by the custodian.

Item 18 Financial Information

FINANCIAL INFORMATION

SFA does not accept prepayment of any fees of more than \$500 or hold any fees for a period of six months or more in advance of the completion of services provided.

Item 19 Requirements for State-Registered Advisers

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

As noted in Item 10, Michael E. Sly, CPA, CFP® in addition to the Firm's investment services, provides tax compliance consulting and tax return preparation under a separate service contract to interested clients. During the year, providing these services involves approximately 30% of the Firm's advisor and staff working hours.

A disciplinary history can be obtained on the Firm's registered advisors from the Massachusetts Securities Division upon request and by checking online at www.brokercheck.finra.org.

