

## INTRODUCTION: USA FINANCIAL EXCHANGE LLC

USA Financial Exchange LLC (Exchange) is an investment adviser registered with the Securities and Exchange Commission. We feel it is important that retail investors understand how advisory and brokerage services and fees differ so you can determine which account is right for you. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://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?

As an SEC registered investment adviser, Exchange provides investors access to a variety of investment options on a platform that offers flexible choices through their independent registered investment adviser ("RIA"). We do not have retail investors; but offer operational support services, business support services (such as technology and marketing), and a turnkey asset management program to independent RIAs for use with their retail investors. We do not provide investment advice directly to retail investors. We do not review or supervise your RIA's investment recommendations. In all cases, your independent RIA is responsible for managing and monitoring the asset managers selected on Exchange's platform. Your financial advisor is responsible for providing you with the necessary disclosure documents, including each chosen subadviser's ADV Disclosure Brochure. All subadvisers' ADV Disclosure Brochures can be found at <https://www.usafinancial.com/investor-resources/forms-and-disclosures#USAF-Exchange>.

The investment options available on Exchange's platform are managed by third party "subadvisers," with whom Exchange has sub-advisory agreements. Exchange performs due-diligence reviews on subadvisers to ensure they adhere to established goals and standards, initially and periodically. Exchange's investment committee periodically reviews manager performance, as well, to ensure fit and relevance. Many of the subadvisers create investment models or model portfolios where the subadviser constructs an asset allocation and selects the underlying investments for each portfolio. From time to time, we may replace existing model portfolios or their subadvisers or hire new subadvisers to create model portfolios. We do not guarantee the continuous availability of any subadviser or model portfolio.

For additional information please see our website at [www.usafinancial.com/usaf-exchange](http://www.usafinancial.com/usaf-exchange) or our Form ADV Part 2A ("Brochure"), specifically Items 4-7.

### Conversation Starters - 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?

### What fees will I pay?

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.

The overall fee clients pay for maintaining an account with USA Financial Exchange has four three components, identified in more detail, below: the Advisor Fee, Management Fee, and Custodian Fee. Portfolio Fee, Platform Fee, Custodial Fee, and Strategy Fees. The Advisor Fee, while assessed as a single fee, is comprised of the USA Financial Exchange Platform Fee and the APM Fee. The Management Fee is comprised of the Strategy Fee and Portfolio Fee. The Custodian Fee is reflective of the fees charged by the account custodian. These components combined equal the total fee clients will pay.

ACCOUNT SIZE	ADVISOR FEE		MANAGEMENT FEE		CUSTODIAN FEE
	PLATFORM FEE	APM FEE	STRATEGY FEE	PORTFOLIO FEE	CUSTODIAN FEE
\$0 - \$250,000	0.25%	0.10% for all holdings designated as APM	Strategy fees are determined by the Investment Advisory Firm managing the strategy. For specific strategy fees, please review each firm's ADV or the strategy allocation form submitted with each account.	Platform users generally charge a management fee. These fees are established by the representative and may vary. Maximum portfolio fee: 1.5%	Investors are able to open accounts at various custodians. These fees are set by the custodian and are not controlled or charged by USA Financial Exchange.
\$251,001 - \$500,000	0.24%				
\$501,001 - \$1,000,000	0.23%				
\$1,000,001 - \$2,000,000	0.22%				
\$2,000,001 - \$3,000,000	0.21%				
\$3,000,001 and up	0.20%				

The maximum fee permitted on Exchange's platform is 2.7% plus custodian fees.

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### Conversation Starters - 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?

## 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.

### Examples of Ways We Make Money and Conflicts of Interest:

Primarily, we benefit from the services we provide to you because of the fees we receive from you. This compensation may vary based on different factors, such as the size of your account or the strategy you select. Some subadvisors pay us a portion of their revenue based on breakpoints. This could create a conflict as we have an incentive to recommend you invest your assets in these strategies; however, since we generally do not solicit accounts, we believe this conflict is mitigated. The more assets that are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets your account.

Certain USA Financial Exchange Platform Users and their representatives are eligible to receive compensation based on sales incentive agreements made between USA Financial Exchange and the platform users/representatives. These incentives are based on meeting certain production goals in support of USA Financial Exchange's long-term growth goals, but are not based on specific strategy recommendations or the purchase of specific holdings. Each platform user is responsible for the recommendations made to investors through the USA Financial Exchange platform.

Exchange's affiliate (by common ownership), USA Financial Formulas, is one of the money managers offered through USA Financial Exchange's platform. As a result, financial advisers will have the ability to offer USA Financial Formulas as an investment option. If you are invested in USA Financial Formulas' strategies, the Strategy Fee will be paid to USA Financial Formulas, which results in additional fees to USA Financial as a whole. In addition, some RIAs and financial advisers may also have a solicitation agreement with our affiliate USA Financial Formulas under which the RIA/financial adviser is paid a fee for referring clients to Formulas. This could create a conflict as we have an incentive to recommend that you invest your assets in these strategies.

For additional information please see our website at [www.usafinancial.com/usaf-exchange](http://www.usafinancial.com/usaf-exchange) or our **Brochure**, specifically Item 10.

### Conversation Starters - Ask your financial professional:

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

## How do your financial professionals make money?

USA Financial Formulas pays solicitors and investment advisors a portion of the fees, the Portfolio Fee as referenced in our fee schedule, that it collects from your account, monthly in arrears. The solicitors and investment advisors are not our employees; they are independent contractors. Our internal employees are salaried positions and support our business operations. The financial success of the firm benefits all employees. No employee nor the firm receives commissions, gifts, or incentives for investments made in clients' accounts.

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

Exchange has not been subject to any disciplinary events by regulators nor is it a party to any legal events that are material to client evaluation of our advisory business. You can visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free and simple search tools to research us and financial firms and professionals who use our platform.

### Conversation Starters - Ask your financial professional:

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

## Additional Information

For additional information please see our website at [www.usafinancial.com/usaf-exchange](http://www.usafinancial.com/usaf-exchange) or our **Brochure**, and any individual brochure supplement your representative provides you.

Your primary contact regarding your USA Financial Exchange account is your investment adviser representative. If you have any questions or want another copy of this Client Relationship Summary. You may reach our Chief Compliance Officer, Dawn Thomason, at (888)444-0125 or email at [compliance@usafinancial.com](mailto:compliance@usafinancial.com) and we will promptly address your concerns.

### Conversation Starters - Ask your financial professional:

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