

## INTRODUCTION: USA FINANCIAL FORMULAS, LLC

USA Financial Formulas, LLC (Formulas) is an investment adviser registered with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and that it is important for the retail investor to understand the differences. 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, Formulas offers its investment advisory services to retail investors for an ongoing asset-based fee based on the value of cash and investments in your account. We provide investment instructions through various TAMPs (turn-key asset management platforms) who are responsible for managing and monitoring your individual account. Formula's objective is to eliminate human emotion from the investing process by using a step-by-step, objective stock-selection formula to manage retail investors' accounts. We do not monitor your individual account. But we rebalance accounts based on Portformula's criteria and reapply your selected asset allocations monthly.

Formulas operates with limited discretionary authority to engage solely in the implementation of specific step-by-step investment criteria and account rebalancing according to your indication and selection. Investment discretion occurs when an investment adviser can determine which securities should be purchased or sold within a client's account. Because portfolio holdings are selected based on a formulaic process and trading is done on an omnibus or block level, you will not be able to instruct us to buy specific securities within your account. However, you may place other reasonable restrictions on your account. Each strategy offered by USA Financial Formulas has its own minimum investment, which vary per strategy. Formulas does not act as a custodian for your securities.

For additional information please see our website at [www.usafinancial.com/investor-resources/forms-and-disclosures#USAF-Formulas](http://www.usafinancial.com/investor-resources/forms-and-disclosures#USAF-Formulas) 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?

USA Financial Formulas' fees vary based upon the strategy selected for investment. Each strategy charges a flat fee, regardless of the value of the assets assigned to the strategy. These fees range between 0.50% - 0.95% depending on the strategy selected.

Our fee does not include your representative's management fee, TAMP fees, or custodial fees. The strategy fee also does not include: charges for other account services provided not directly related to the execution and clearing of transactions, including, but not limited to, IRA custodial fees, safekeeping fees, and fees for transfers of securities. Our fee also does not include certain costs or charges imposed by third parties, including odd-lot differentials, exchanges fees, and transfer taxes mandated by law. Also, your Custodian may impose additional charges for special services if you choose them, including periodic distribution fees, electronic fund and wire transfer fees, certificate delivery fees, and reorganization fees.

The schedule through which your fees are collected will depend on the TAMP through which your assets are invested. These fees could be assessed quarterly or monthly, in arrears, or in advance. Currently, USA Financial Formulas' distribution through USA Financial Exchange collects these fees monthly in arrears.

You pay fees and costs whether you make or lose money on your investments. Fees and costs reduce your investment over time. Please make sure you understand what fees and costs you are paying.

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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?

**Formulas** (the Firm) operates with limited discretionary authority to engage solely in the implementation of specific step-by-step investment criteria and account rebalancing as indicated and selected by the client. SEC File No. 801-67442. SEC registration does not imply a certain level of skill or training. This activity is generally referred to by the Firm as a Formula™ Investment Strategy. You should only invest in Formulas upon receiving and reading the Formulas ADV. ©2025 USA Financial Formulas™ All Rights Reserved.

## 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.

Primarily, we and our financial professionals benefit from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. As noted above, we may have an incentive to encourage you to increase the assets your account.

Formulas' fees also vary based on the platform hosting investment models, including models held on our affiliate's platform, USA Financial Exchange.

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### **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?

The solicitors and investment advisors that recommend USA Financial Formulas' strategies 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?

Formulas 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 our financial professionals.

### **Conversation Starters - Ask your financial professional:**

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

## Additional Information

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Your primary contact regarding your USA Financial Formulas 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 you can email questions to [compliance@usafinancial.com](mailto:compliance@usafinancial.com) and we will 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?