

## Relationship Summary

### **Introduction**

API Financial Advisors, LLC is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for retail investors to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### **Relationships and Services**

#### ***What investment services and advice can you provide me?***

We offer investment advisory services to retail investors.

Our financial planning services involve assisting clients with financial and cash management, risk management, financial issues relating to divorce or the death of a family member, insurance planning, estate planning, tax issues, retirement planning, educational funding, goal setting, or other needs identified by us or the client after a review of the client's financial circumstances. After collecting and reviewing the pertinent data and identifying goals, objectives, concerns, and potential solutions, we present the client with a written financial analysis.

Our portfolio management services involve managing individualized portfolios for our clients through our affiliated investment adviser, Solomon API. The portfolios use a variety of securities, including bonds, common stock, options, exchange traded funds, exchange listed real estate investment trusts, mutual funds, and treasury bonds. We offer our portfolio management services on a discretionary basis. Discretionary management allows us or Solomon API to place trades without first obtaining the client's consent. We do not require a minimum account size in order to provide our portfolio management services.

#### ***Additional Information:***

You can find more detailed information about the services we offer in Items 4 and 16 of our Firm Brochure.

#### ***Conversation Starters:***

1. "Given my financial situation, should I choose an investment advisory service? Why or why not?"
2. "How will you choose investments to recommend to me?"
3. "What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?"

### **Fees, Costs, Conflicts, and Standard of Conduct**

#### ***What fees will I pay?***

We charge \$300 per hour for financial planning services; the number of hours will vary depending upon the complexity of the client's financial situation and the preparation required to address the client's financial issues and concerns. A portion of the fee may be collected up-front when signing the financial planning agreement, and the remaining balance will be collected at delivery of the written financial plan. If the client prepays fees in excess of \$1200, our services will be completed within 6 months of the date we receive the fee.

For our portfolio management services, we charge an annual fee that is based on the assets under management in the client's account, as summarized below:

<u>Assets Under Management</u>	<u>Annual Management Fee</u>
Negotiable up to a maximum	1.95%

Our portfolio management fee is calculated and billed monthly in advance. You will also be charged an asset-based fee by TD Ameritrade that covers trading costs of 0.10%.

Because our portfolio management fees are based on the amount of assets in your account, this gives us an incentive to encourage clients to increase the assets in their accounts, because the more assets there are in the account, the more fees we receive.

In addition to our fees, there are other fees and costs that you may pay directly or indirectly, including charges imposed by custodians, brokers, third-party investment advisers, and other third parties such as fees charged by mutual fund and exchange traded fund managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fee, which are disclosed in a fund's prospectus. These charges, fees, and commissions are exclusive of and in addition to our fee. We do not receive any portion of these charges, fees, or commissions.

**Additional Information:**

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. You can find more detailed information about our fees and costs in Item 5 of our Firm Brochure.

**Conversation Starter:**

"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:

(a) Some of our associates are independent insurance agents. They may recommend these services to our clients. These services pay the associates commissions that are separate from the fees we collect. This creates a financial incentive for these associates to recommend and sell insurance products to our clients.

(b) Two of our owners also own Solomon API, which is the subadvisor that manages our portfolios. This creates a conflict of interest because the Solomon API receives a portion of our management fee. This creates an incentive for us to use Solomon API as a subadvisor.

(c) We participate in TD Ameritrade's institutional customer program, which provides economic benefits to us that are typically not available to TD Ameritrade retail investors. This creates an incentive for us to recommend the use of TD Ameritrade for custodial or brokerage services.

(d) Our associates may be registered representatives of PKS, member FINRA/SIPC. PKS is a broker-dealer. This creates an incentive to recommend products based on the commission earned.

**Additional Information:**

You can find more detailed information about our conflicts of interest in Items 10 and 14 of our Firm Brochure.

**Conversation Starter:**

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

**How do your financial professionals make money?**

Our firm's principals are paid salaries and receive occasional dividends. Our other financial professionals are paid a percentage of our management fee. The maximum management fee is 1.95% and our other financial professionals can receive up to 1.45% of the 1.95%.

**Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?** Yes.

**Additional Information:**

Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter:**

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

**Additional Information**

**You can find additional information about our investment advisory services and request a copy of our relationship summary using one of the following:**

Website: [www.apifinancialadvisors.com](http://www.apifinancialadvisors.com)

Telephone: (321) 888-2599

Email: [lydia.w@solomonapi.com](mailto:lydia.w@solomonapi.com) or [paul.s@solomonapi.com](mailto:paul.s@solomonapi.com) Mail: 1950 Rockledge Blvd, Unit 201, Rockledge, FL 32955

**Conversation Starter:**

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