

# Financial Strategies, Inc.

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**MARCH 13, 2023**

## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Financial Strategies, Inc. If you have any questions about the contents of this brochure, contact us at 262-821-1664. 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 Financial Strategies, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Financial Strategies, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## **Item 2 Summary of Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

### **Material Changes**

Since our last annual updating amendment dated March 1, 2022, there firm had the following changes:

- The firm applied for registration and was approved as an investment adviser with the Securities and Exchange Commission ("SEC")
- The firm updated its URL to include: [www.financialstrategiesinc.com](http://www.financialstrategiesinc.com)

### **Full Brochure Available**

You may view the current Disclosure Brochure online at any time at the SEC's Investment Adviser Public Disclosure website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may also request a copy of this Disclosure Brochure at any time by contacting the Firm at 262-821-1664.

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## Item 4 Advisory Business

### Description of Services and Fees

Financial Strategies, Inc. is a registered investment adviser organized as a corporation under the laws of the State of Wisconsin. We have been providing investment advisory services since 1991. James Cantrell is our principal owner.

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Financial Strategies, Inc., and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

### Private Client Service

Private Client Services are available to clients with \$1 million or more in investable assets. Private Client Service (PCS) is a dynamic, broad based financial planning and investment management service. It encompasses ongoing support and coordination of your financial life and the ongoing management of your investment portfolio. When you contract with our firm for PCS, we perform all, or some, of the following services depending on your specific needs:

1. Financial Independence Planning
2. College Tuition and Expense Planning
3. Other Accumulation Goals Planning
4. Life Insurance Planning
5. Additional Insurance Planning
6. Estate Planning
7. Investment Management may include:

- **Asset Allocation:** Based upon data supplied by you or based upon a financial plan developed by us through our financial planning services, we will develop an asset allocation for your investment accounts.
- **Existing vs. Ideal Portfolio:** Our process includes discussion and direction regarding the handling of existing investments. We will assess roadblocks that may exist and must be addressed when transitioning from the existing portfolio to our ideal portfolio. These roadblocks may include taxes, fees, penalties, and purchase restrictions.
- **Investment Vehicle Selection:** We will recommend specific investment vehicles with which to implement the intended allocation, taking into account fees, expenses, purchase constraints, and other factors affecting your investment decisions.
- **Implementation:** We will assist you in establishing the appropriate accounts, transferring existing accounts, and establishing ongoing funding or withdrawal plans. These accounts will be established at an approved custodian/broker/insurance firm providing specialized services to independent, Fee-Only, investment advisors. These accounts will be referred to as "managed assets" or "assets undermanagement".
- **Discretion:** In accordance with documents executed with the custodian/broker/insurance firm, you will grant to us the limited discretionary authority to make trades, access information, and bill our fee to your account. This allows us to execute the transactions necessary to implement your investment plan, and you understand that we will do so without specific prior consultation with you.

**Management Services:** We will apply the benefit of our continuing study of economic conditions, investment markets, and investment vehicles to your managed assets. On the basis of these studies, we will, from time to time, adjust the asset allocation applied to your managed assets. We will also replace existing or add new investment vehicles

to your investment mix as we deem appropriate for your situation. You understand that we will make these investment decisions and execute the corresponding transactions in your managed assets without specific prior consultation with you.

- **Monitoring and Reporting:** At the end of each period, we will provide you with a statement setting forth the funds and securities which constitute your managed assets. This report will provide historical rate of return information specifically for your managed assets. This report will also show the fee calculation applied to your accounts. In addition, you will receive account statements directly from all custodian/broker/insurance firms with which you have accounts detailing current holdings and all transactions including any fees paid directly to us.

For portfolio management services, clients grant our firm discretionary authority to manage their account(s). Discretionary authorization allows us to determine the specific securities, and the amounts of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is granted in the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

### **Financial Planning-Investment Management Services**

This is a comprehensive personal financial planning and investment management service for clients who want the benefit of our financial planning and investment management services but whose circumstances do not qualify for Private Client Services; these are clients with less than \$1 million dollars in investible assets. We address matters, when appropriate for client circumstances, including retirement planning, estate planning, life insurance planning, and other insurance planning. This comprehensive service also includes discretionary investment management services.

### **Stand-Alone Investment Management Services**

For clients that want us to manage their assets but whose circumstances do not qualify for our Private Client Services, we provide standalone discretionary investment management services.

### **Financial Planning Only Services**

We offer comprehensive financial planning services which typically involve covering all appropriate aspects of a client's financial circumstances regarding the management of their financial resources without investment management services, based upon an analysis of their individual needs and may include but are not limited to addressing the following:

Auto, Homeowners, Umbrella Liability Insurance

- Review of current coverage and recommendations

Life Insurance

- Needs based analysis of Life Insurance

Disability Insurance

- Analysis and discussion of need for Disability Insurance

Long Term Care Insurance

- Discussion of Long-Term Care Insurance considerations

Estate Planning Assistance

- Discussion of the size and complexity of the estate and family situation
- Discussion of possible estate planning techniques for consideration
- Assistance in engaging an estate planning attorney for final recommendations and

- preparation of legal documents
- Additional legal fees will apply and are your responsibility

If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

### **Types of Investments**

We primarily offer advice on equity securities, corporate debt securities, certificates of deposit, municipal securities, investment company securities, and US Government securities. Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

### **Assets Under Management**

As of December 31, 2022, we provided continuous management services for approximately \$102,517,355 in client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

### **Private Client Service Fee**

For our compensation in a PCS engagement, clients are charged the following fees:

Initial Flat Fee: Clients are charged an initial flat fee that is based upon the complexity and scope of the planning needed, the client's financial situation, and their financial objectives, based on an hourly rate of \$300. Payment of 50% of the fee is due at the signing of the client agreement. The remainder of the fee will be billed to you periodically or upon completion of the financial planning services.

Ongoing Fee: We charge an ongoing fee based on the schedule below (the minimum annual fee associated with this service is \$10,000):

Asset Under Management	Annual Fee
Assets less than \$1,000,000	1.20%
\$1,000,001 to \$2,000,000	1.00%
\$2,000,001 to \$4,000,000	0.80%
\$4,000,001 to \$7,000,000	0.60%
Over \$7,000,001	0.40%

The fee will be charged quarterly, in advance, and will be billed as one quarter of the annual fee percentage using the value of client's assets under management as of the end of the previous quarter. For new clients or for existing clients transferring in additional assets under management, as assets are transferred to accounts managed by us, partial time periods will be billed proportionally. Legacy clients may be subject to a different fee schedule.

Fees incurred due to the services of other professionals, advisors, or salespersons such as, but not limited to, attorneys, accountants, insurance representatives, etc. will be your responsibility.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

You may terminate the portfolio management agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees based on how long services were provided during the billing cycle.

### **Financial Planning-Investment Management Services**

For clients who do not qualify for Private Client Services, as noted above, and receive our comprehensive service that offers financial planning and investment management services we charge the following fees:

*For clients with greater than \$150,000 but less than \$1 million dollars in investible assets, we charge for the service as follows:*

#### Initial Flat Fee:

Clients are charged an initial flat fee that is based upon the complexity and scope of the planning needed, the client's financial situation, and their financial objectives, based on an hourly rate of \$300. Payment of 50% of the fee is due at the signing of the client agreement. The remainder of the fee will be billed to you periodically or upon completion of the financial planning services.

Ongoing Fee: We charge an annual management fee of 1.2% of assets under management. The fee is billed quarterly, in advance, as one quarter of the annual fee percentage using the value of client's assets under management as of the end of the previous quarter.

*For clients with fewer than \$150,000 in investible assets, we charge an annual flat fee billed quarterly, in advance.*

Regardless of how the fee is charged, for Financial Planning-Investment Management Services, you authorize us to deduct our fee directly from your account through the qualified custodian holding your funds and securities.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

You may terminate the Financial Planning-Investment Management agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Investment Management Services Fees**

Fees for standalone investment management based on the schedule below:

Asset Under Management	Annual Fee
Less than \$1,000,000	1.20%
\$1,000,001 to \$2,000,000	1.00%
\$2,000,001 to \$4,000,000	0.80%
\$4,000,001 to \$7,000,000	0.60%
Over \$7,000,001	0.40%

The fee will be charged in advance and will be billed as one quarter of the annual fee percentage per calendar quarter, based on the value of assets under management as of the end of the previous quarter. For new clients or for existing clients transferring in additional assets under management, as assets are transferred to accounts managed by us, partial time periods will be billed proportionally. Legacy clients may be subject to a different fee schedule.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities.

You may terminate the portfolio management agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Financial Planning Fees**

We charge a fixed fee ranging from \$1,000 to \$15,000 for a comprehensive financial plan which may be negotiable and is dependent on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship and quoted. We require that you pay 50% of the fee in advance and the remaining portion upon the completion of the services rendered.

You may terminate the financial planning agreement by providing written notice to our firm. You will



incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, trusts, estates, and charitable organizations.

We do not impose a minimum to open and maintain an advisory account or to work with us, though there are minimum fees associated with some of our services.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **Our Methods of Analysis and Investment Strategies**

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and

trends. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions.

**Risk:** The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Margin Transactions** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

**Risk:** If the value of the shares drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

As disclosed under the *Advisory Business* section in this brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another, however, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

## **Item 9 Disciplinary Information**

Financial Strategies, Inc. has been registered and providing investment advisory services since 1991. Neither our firm nor any of our management persons has any reportable disciplinary information.

## Item 10 Other Financial Industry Activities and Affiliations

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker.
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).
3. other investment adviser or financial planner.
4. futures commission merchant, commodity pool operator, or commodity trading advisor.
5. banking or thrift institution.
6. accountant or accounting firm.
7. lawyer or law firm.
8. insurance company or agency.
9. pension consultant.
10. real estate broker or dealer.
11. sponsor or syndicator of limited partnerships.

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

### Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

### Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law and in accordance with our privacy notice. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or allowed by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

## **Item 12 Brokerage Practices**

Advisor participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other

compensation, such as brokerage services or research.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than other clients.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the trade error will be corrected in the trade error account of the executing broker-dealer, and you will not keep the profit.

## **Item 13 Review of Accounts**

James Cantrell, Chief Compliance Officer of our firm, will monitor your accounts on a periodic basis and will conduct account reviews at least quarterly to ensure the advisory services provided to you and that the portfolio mix is consistent with your current investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, etc. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

## **Item 14 Client Referrals and Other Compensation**

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with TD Ameritrade.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each

billing period. You should carefully review account statements for accuracy.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

The Firm is deemed to have constructive custody of assets to the extent it uses Standing Letters of Authorizations (“SLOAs”) for third-party money movement. The Firm follows the guidance set forth in the SEC No-Action Letter of February 21, 2017, to avoid the requirement of the surprise annual audit of these assets which would otherwise be required of an adviser with custody.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any security or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

## **Item 17 Voting Client Securities**

### **Proxy Voting**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$1,200 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

**Jim Cantrell, CFP®**  
**Financial Strategies, Inc.**

**13555 Bishops Ct., Suite 340  
Brookfield, WI 53005**

**Telephone: 262-821-1664  
Facsimile: 262-821-0762**

**June 14, 2023**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Jim Cantrell that supplements the Financial Strategies, Inc. brochure. You should have received a copy of that brochure. Contact us at 262-821-1664 if you did not receive Financial Strategies, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Jim Cantrell (CRD# 2087445) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### Jim Cantrell

*Year of Birth:* 1964

*Education:*

- University of Wisconsin Platteville, Attended August 1982 to December 1982
- University of Milwaukee, Attended August 1984 to May 1986
- College for Financial Planning, CFP Professional Education Program

*Business Background:*

- Financial Strategies, Inc., President/Chief Compliance Officer, 1991 - Present

*Certifications:*

**The CERTIFIED FINANCIAL PLANNER™, CFP®** and federally registered CFP® (with flame design) marks (collectively, the "CFP marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services and attain a bachelor's degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination - Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics - Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to maintain the right to continue to use the CFP marks:

- Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics - Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP professionals provide financial planning services at a fiduciary standard of care. This means CFP professionals must provide financial planning



services in the best interests of their clients.

CFP professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP certification.

### **Item 3 Disciplinary Information**

Mr. Cantrell does not have, nor has he ever had, any disciplinary disclosure.

### **Item 4 Other Business Activities**

Jim Cantrell is not actively engaged in any other business or occupation (investment-related or otherwise) beyond his capacity as President of Financial Strategies, Inc. Moreover, Mr. Cantrell does not receive any commissions, bonuses or other compensation based on the sale of securities or other investment products.

### **Item 5 Additional Compensation**

Jim Cantrell does not receive any additional compensation for providing advisory services beyond that received as a result of his capacity as President of Financial Strategies, Inc.

### **Item 6 Supervision**

Jim Cantrell is the sole owner and Chief Compliance Officer of Financial Strategies, Inc. and therefore there is no one that is in a supervisory capacity over him. For any questions, Jim Cantrell can be reached at 262-821-1664.

**Hannah J. Chavez**  
**Financial Strategies, Inc.**

**13555 Bishops Ct., Suite 340  
Brookfield, WI 53005**

**Telephone: 262-821-1664  
Facsimile: 262-821-0762**

**June 14, 2023**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Hannah J. Chavez that supplements the Financial Strategies, Inc. brochure. You should have received a copy of that brochure. Contact us at 262-821- 1664 if you did not receive Financial Strategies, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Hannah J. Chavez (CRD # 6739973) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Educational Background and Business Experience**

**Hannah J. Chavez**

*Year of Birth:* 1995

*Formal Education After High School:*

- Bachelor of Arts, Communication and Spanish, *Carthage College, Kenosha, WI*, May 2017

*Business Background:*

- Financial Strategies, Inc., Investment Adviser Representative, February 2020 - present
- Financial Strategies, Inc., Communications and Financial Planning Assistant, June 2017 – February 2020
- The Tranel Financial Group, Public Relations Intern, March 2017 – May 2017
- Financial Strategies, Inc., Office Assistant, July 2012 – August 2013

## **Item 3 Disciplinary Information**

Form ADV Part 2B requires disclosure of certain criminal or civil actions, administrative proceedings, and self-regulatory organization proceedings, as well as certain other proceedings related to suspension or revocation of a professional attainment, designation, or license. Ms. Hannah J. Chavez has no required disclosures under this item.

## **Item 4 Other Business Activities**

Hannah J. Chavez is not actively engaged in any other business or occupation (investment-related or otherwise) beyond her capacity as Investment Adviser Representative of Financial Strategies, Inc. Moreover, Ms. Chavez does not receive any commissions, bonuses or other compensation based on the sale of securities or other investment products.

## **Item 5 Additional Compensation**

Ms. Chavez does not receive any additional compensation beyond that received as an Investment Adviser Representative of Financial Strategies, Inc.

## **Item 6 Supervision**

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Financial Strategies, Inc., and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and our internal guidelines.

My supervisor is: James Cantrell, President

Supervisor phone number: 262-821-1664

FINANCIAL STRATEGIES, INC.  
CLIENT RELATIONSHIP SUMMARY v. May 20, 2022

This is the Client Relationship Summary for Financial Strategies, Inc. an SEC-Registered Investment Adviser. Brokerage and Investment Advisory services and fees differ, and it is important that you understand those differences.

Free and simple tools are available to you 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?**

The investment advisory services we provide include: three comprehensive services that combine financial planning and portfolio management services; standalone, portfolio management services; and standalone financial planning services.

Our comprehensive services and stand-alone portfolio management service provide continuous monitoring of your investments. We do not monitor your investments in our standalone planning services.

For clients who choose one of our comprehensive services or our stand-alone portfolio management service, we take discretionary authority in your accounts, which allows us to buy and sell investments in your account without asking you in advance. We do not place trades on behalf of standalone financial planning service clients.

We do not have minimum account sizes or investment amounts.

For more information, please review our disclosure brochure, which is available [here](#).

*Ask us: Given my financial situation, should I choose an investment advisor 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?**

Depending upon which of our comprehensive services you receive, you will pay either a combined fee comprised of an initial fixed fee and a percentage of your assets under management or just a fixed fee. These fees are assessed on a quarterly basis, in advance. There are also minimum fees associated with some of these comprehensive services. In our stand-alone portfolio management service, you will pay a percentage of assets under management for portfolio management services, quarterly, in advance. For all fees assessed as a percentage of assets under management, you should be aware that the more assets there are in your account, the more you will pay in fees. This means we have an incentive to encourage you to increase the assets in your account. For standalone financial planning, you will pay a fixed fee charged as follows: 50 percent of the fee is due in advance with the remainder due upon the completion of the services. You will also incur other fees including brokerage fees and commissions, management fees for mutual funds and ETFs, custodian fees, Retirement Account Annual Fees, trade ticket charges, or banking fees in connection with an investment account and the securities in the account; we do not receive any of these.

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. For more information, please review our disclosure brochure, which is available [here](#).

FINANCIAL STRATEGIES, INC.  
CLIENT RELATIONSHIP SUMMARY v. May 20, 2022

Ask us: *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.

While we work to minimize conflicts with clients simply setting a fee for our services creates a conflict; it incentivizes us to charge you more rather than less for our services.

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

For more information, please review our disclosure brochure, which is available [here](#).

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

Our firm's only compensation comes from our advisory fees. Our employees receive salaries for the work they perform on your behalf. Our employees receive salaries and bonuses. Members of the firm with an ownership receive distributions. No one at the firm – other than as described – is compensated based upon: the amount of client assets they service; the time and complexity required to meet a client's needs; the product sold (i.e., differential compensation); product sales commissions; or revenue the firm earns from the financial professional's advisory services or recommendations.

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

No; however, to verify this, go to [Investor.gov/CRS](http://Investor.gov/CRS), which has a free and simple search tool that allows you to research your financial professionals.

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

You can find more information about our investment advisory services [here](#). ***You can also contact us at (262) 821-1664 if you have any questions or to request a copy of the relationship summary.***

Ask us: *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?*