



# South Bay Financial Partners

## Client Relationship Summary (Form CRS)

June 30, 2020

South Bay Financial Partners Group (SBFP) is registered with the Securities and Exchange Commission (SEC) as an investment adviser, not a brokerage service. Investment advisors and brokerage services differ and it is important for you to understand the differences. Free and simple educational tools are available to research financial professionals and financial investing at [Investor.gov/CRS](https://Investor.gov/CRS).

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

Our services for a “retail investor” (that’s you) are 1) financial planning that includes investment advising and tax preparation and planning, 2) financial coaching that includes cash flow guidance, investing, and basic financial planning, 3) The Fresh Start Program, a six-session discovery, and planning service and 4) Your Amazing Financial Life (YAFL), a unique, members-only, online educational and social environment. We also share advice in publications, and at times conduct educational seminars.<sup>1</sup> Our investment advising includes all types of accounts: retirement, brokerage, trusts, 529s, HSAs, and ABLE accounts, etc. We primarily invest in individual stocks and bonds, but also utilize mutual funds and exchange-traded funds (ETFs).

### Are my accounts monitored?

We monitor financial planning clients’ investment accounts daily. Depending on your level of service we do an in-depth investment review quarterly, semi-annually, or annually. We do not routinely monitor your accounts or investments if you are a financial coaching client, YAFL member, or solely a tax client.

### Who has the authority to invest my money?

We do not hold discretionary authority over your investments. This means that you have the ultimate decision regarding the purchase or sale of your investments. While we make recommendations, we require that you approve of them before we execute the trades in your account for you.

### Are SBFP Investment offerings limited?

We don’t invest in any proprietary products, options, or futures. We stick to traditional stocks, bonds, mutual funds, and ETFs. Other firms may provide wider investment recommendations, at the same or differing costs.

### Does SBFP have account minimums and/or other requirements?

There are no account minimums to become a financial planning client, financial coaching client, or a YAFL member. There are no requirements for clients to open or maintain a brokerage account. Clients are required to complete a variety of surveys that are intended to give us a better understanding of your tolerance for risk, planning timeline, etc. before opening accounts and/or making investment recommendations.

### What should I be sure to ask my advisor?

When meeting with any advisor, including us, you should ask the following questions:

- *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?*

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<sup>1</sup> For Additional Information regarding the services we make available to you, please review Item 4 of our Form ADV Part 2A.

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

The amount of fees you pay to SBFP and the frequency with which you are billed depend on the services being provided and personal preference. You have the option of having fees deducted from your account or you can pay via debit from your bank account. YAFL subscriptions are paid by debit card with a Plotoo connection. SBFP is exploring accepting credit cards.

SBFP is a fiduciary and does not make money based on anything other than the flat fees we charge, however you will be charged fees by your brokerage (i.e. Schwab) and by your investment companies (i.e. mutual funds).

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.

**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 advisor, we have to act in your best interest and not put our interests ahead of yours. For example, we will work with whatever brokerage you do business with. We have no incentive to move your assets to specific brokerages or investments. However, the way we make money may create some conflicts with your interests. You should understand and ask us about these conflicts because they may affect the financial planning advice we provide you.

For example, fees are calculated based on complexity (mutual funds vs. stocks; communicating electronically vs. by mail; meeting virtually vs. in person ) but we encourage simplicity in these areas. Working with multiple family members, with multiple generations, and with trusts is more complicated, and raises the fee, but we do encourage these when appropriate since they are often the best way for you to achieve your life intentions.

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

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

Our financial professionals are compensated on a salary or hourly basis and are not paid commissions on transactions. Employees may receive quarterly bonuses based on the health of the business. These are based on profits for the quarter and divided among all staff based on hours worked. Client fees are not affected by the bonuses. Staying efficient and keeping clients satisfied means better business.

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

No, we do not. You can visit [Investor.gov/CRS](https://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?**

For additional information about our services, visit our website <https://southbayfinancialpartners.com>. If you would like additional, up-to-date information or a copy of this disclosure, please call 310.792.4189.

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