

# KAYS FINANCIAL ADVISORY CORPORATION

## FORM ADV, PART 3: RELATIONSHIP SUMMARY

June 30, 2020

Registered with the U.S. Securities and Exchange Commission as an Investment Adviser.

*Brokerage and investment advisory services and fees differ. 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 [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.*

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

We offer investment advisory services, i.e. financial planning and portfolio management services, to retail investors, including high net worth individuals, trusts, charities, and retirement plans. Investment management services include continual supervision and ongoing monitoring of client's investments largely through model portfolios. Financial Planning services are typically coupled with ongoing portfolio management for clients with assets of at least \$500,000 but can be provided as a stand-alone service.

Accounts are managed on a discretionary basis using a limited power of attorney. Unlike a full power of attorney, a limited POA does not allow us to withdraw money directly from a client's account, except for billing purposes. In certain circumstances, we provide nondiscretionary investment advice, which requires the retail investor to make the final decision on the purchase or sale of securities.

Normally a client invests a minimum of \$500,000 to qualify for our services. We do have a limited menu of types of investments. There are many types of investments we do not offer. We have no proprietary products.

More information about our services can be found in Part 2 of our Form ADV, which is available at <https://adviserinfo.sec.gov/firm/summary/105873>.

#### Conversation Starters:

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

### What fees will I pay?

To manage investments, we charge a fee that is based on a percentage of assets managed. These fees are billed quarterly, in advance, and based on the portfolio's value as of the end of the prior quarter. In certain circumstances, we will bill for advisory services, such as investment or financial planning advice, on an hourly basis.

There are other indirect charges, such as transaction fees for certain trades and operating expenses for mutual funds and ETFs. Our firm does not receive any of these fees or compensation.

More information about our firm's fees is included in ADV Part 2 Firm Brochure, "Fees and Compensation", which is available at <https://adviserinfo.sec.gov/firm/summary/105873>.

There is a conflict of interest with asset-based fees. The more money we manage, the more money we make. It gives us an incentive to offer financial advice on more of your assets. 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 \$500,000 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 must 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.

Our firm participates in Charles Schwab's advisor referral program, known as Schwab Advisor Network (SAN). Additionally, Schwab provides us certain services at no charge, such as access to their advisor technology platform, or possibly conference registrations for free. These benefits and referrals give us an incentive to use Schwab for custodial services. For a more detailed discussion of our conflicts of interest, please refer to our ADV Part 2 Brochure, available at <https://adviserinfo.sec.gov/firm/summary/105873>.

**Conversation Starter:**

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

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

Our advisors are compensated by a fixed salary and/or a percentage of revenue their client base generates. When advisors receive compensation based on the revenue their client base generates, this creates a conflict of interest, as it incentivizes advisors to bring in more assets.

We believe this also incentivizes advisors to provide continued service to their clients. Additionally, our advisors receive a bonus based on the revenue generated by new assets clients invest through us.

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

YES  NO

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?**
- **If so, for what type of conduct?**

**Additional Information**

Additional information about our services can be found at [www.scottkays.com](http://www.scottkays.com). If you have any questions about the contents of this brochure or would like to request a copy of this relationship summary, please contact us at (770) 951-9001 or at the following address:

Kays Financial Advisory Corporation  
200 Galleria Parkway Suite 1150  
Atlanta, Georgia 30339

**Conversation Starter:**

- **Who is my primary person of contact?**
- **Is he/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?**