

Sovereign Wealth Advisors, Inc.

Form ADV Part 3 Customer Relationship Summary

Introduction

Sovereign Wealth Advisors, Inc. is an investment advisor registered with the Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at www.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 are an independent, fee-only firm that provides ongoing investment advisory services which may include but are not limited to portfolio management, financial planning, tax and estate planning, charitable giving, and wealth transfer. During our onboarding process, we will review and discuss your needs and financial goals and build recommendations to help you achieve those objectives. We will work with you to identify strategies that are suitable for your investment situation, financial goals, and risk tolerance. Some of our portfolio investment strategies include Conservative, Conservative Moderate, Moderate Conservative, Balanced, Moderate Aggressive, and Aggressive. Portfolios may also be customized to you based off your individual circumstances and needs. While there is no minimum account size for these services, we typically work with account sizes \$500,000 and higher.

We manage advisory accounts primarily on a discretionary basis, under which we are authorized to place trades in your account without obtaining your permission prior to each trade, or on a non-discretionary basis, under which you must specifically authorize each trade we recommend. We monitor your accounts on a regular and ongoing basis. They are reviewed no less than annually for investment changes.

We also offer financial planning services, under which you will receive a written financial plan addressing tax planning, investments, insurance, retirement, death & disability, and/or estate concerns. Financial plans are reviewed as contracted for.

For additional information, please see Items 4 and 13 of our Form ADV, 2A Brochure (Part 2A) available at:

<https://adviserinfo.sec.gov/>

Questions to Ask Us

- *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?

Our fee for ongoing advisory services is based on a percentage of assets under management. This fee includes portfolio management as well as financial planning needs to meet your objectives and goals. The fee starts at 1.00% of managed assets annually and gradually declines depending on the total amount of assets managed. Our fees are typically billed monthly, in arrears, and are based on the previous month-end market value of the account. The more assets we manage, the more you pay in fees. We therefore have an incentive to encourage you to increase the assets in your account. Occasionally, our fees may be negotiable depending on the client situation.

Financial planning client's fee range from \$150-\$500 per hour, based on the rates charged for the staff members needed to prepare the plan. In addition to the principal fees and costs listed above, there are other fees and costs related to our investment advisory services that you will pay directly or indirectly. Trading and custodial fees may be transaction-based or asset-based depending on the type of arrangement set up for your account.

Mutual funds and exchange-traded funds also charge management fees, which are separate from the fees assessed by us. We do not charge or share in any commissions or fund fees.

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 additional information, please see Item 5 of our Form ADV, 2A Brochure (Part 2A) available at: <https://adviserinfo.sec.gov/>

Questions to 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 providing recommendations 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 are required 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. Here are some examples to help you understand what this means.

- As mentioned earlier, the more assets we manage, the more we receive in fees. We charge fees based on a percentage of your total assets. If your account value increases, we receive an increase in fees. Similarly, if the value of your portfolio declines, so will the fees that we receive. While we have an incentive to increase the assets under management, you may also be benefitting from the growth in value. Our fees are billed monthly, in arrears, based on the last market day of the previous month.
- We typically charge for financial planning only services on an hourly basis. The more complex the client situation and more time is needed to complete the plan, the greater the revenue we receive. We therefore have an incentive to work with higher need clients that cover a variety of topics. To address this conflict, we also offer a flat fee option for the planning services so that clients will know that their questions and objectives will be addressed without incurring extra cost.

Questions to Ask Us

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

For additional information, please see Items 10 and 11 of our Form ADV, 2A Brochure (Part 2A) available at: <https://adviserinfo.sec.gov/>

How do your financial professionals make money?

Our financial professionals are compensated through an agreed upon base salary plus a percentage of revenue generated by fees associated with each financial professional's clients. The more a financial professional manages, the more compensation they may receive.

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

Neither our firm nor our financial professionals have any legal or disciplinary history. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Questions to Ask Us

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

Additional Information

If you would like additional up-to-date information, a copy of this relationship summary, or our Form ADV, Part 2A Brochure, please call 425-289-4222 or email us at contactus@emailswa.com.