



## Item 1 - Introduction

Southwest Investment Advisors (SIA), Inc. (CRD No. 312685) is registered with the Securities and Exchange Commission as an investment adviser. Advisory services and fees are different from brokerage services. It is important to understand the difference and carefully consider which account type and the services that are right for you. This document provides a summary of the types of services provided by Southwest Investment Advisors and the associated fees. In addition, free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which provides educational materials about broker/dealers, investment advisers, and investing.

## Item 2 - Relationships & Services

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

We are a registered investment advisor that offers investment advisory services to retail investors. Our advisory services include asset management, financial planning & financial coaching. If you open an advisory account with our firm, we'll first assess your current situation, existing resources, goals, and risk tolerance. Then, we'll recommend a portfolio of investments that is monitored at least quarterly, and if necessary, rebalanced to meet your changing needs, stated goals and objectives. We'll contact you at least annually to discuss your portfolio and make recommendations for changes if needed. In our agreement you authorize us to buy and sell investments in your account without asking you in advance ("discretion"). We do not restrict our advice to limited types of products or investments. Dedicated financial planning & consulting services are offered separately for an additional flat and/or hourly fee. We do not monitor your investments for the financial planning & consulting service.

*Conversation Starters: Given my financial situation, should I choose a brokerage service? Why or why not?  
Given my financial situation, should I choose an investment advisory service or a brokerage service or both types of services? Why or why not?*

## Item 3 - Fees, Costs, Conflicts and Standard of Conduct

### What Fees will I Pay?

Fees and costs affect the value of your account over time. SIA charges up to a 1.25% management fee based on a percentage of assets under management and can also charge separately for financial planning and/or an hourly consulting engagement. You pay our advisory fee even if you do not buy or sell and whether you make or lose money during the billing period. SIA has a fiduciary duty to manage an account in a cost-effective manner and considers custodian fees, account maintenance fees, fees related to mutual funds (12b-1 fees) and variable annuities, transactional fees (ticket charges), and product-level fees when making investment recommendations. In a wrap fee program, the asset-based fee will include most transaction costs and fees to the broker/dealer or bank that will hold your assets (called "*custody*") and as a result wrap fees are typically higher than non-wrap advisory fees. Although transaction fees are usually included in the wrap program fee, sometimes you will pay an additional transaction fee for an investment bought or sold outside the wrap fee program. Paying for a wrap fee program could cost more than separately paying for advice and for transactions if there are infrequent trades in your account. In our agreement you authorize us to buy and sell investments in your account without asking you in advance ("discretion").

### What are your legal obligations to me when acting as my investment adviser?

When we act as your investment adviser, 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.

**How else does your firm make money and what conflicts of interest do you have?**

Our firm’s financial professionals include licensed insurance agents who sell insurance products for a commission. They have an incentive to recommend insurance products to increase their compensation. Because we have investment discretion, we have no incentive to recommend more frequent trades. Because of the way we are compensated we do have incentive to encourage you to increase your assets through new deposits. Additional information about conflicts of interest is available in our [ADV 2A](#).

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

Our financial professionals are compensated based on the revenue our firm earns from their advisory services or recommendations, the amount of client assets they service, and the time and complexity required to meet a client’s needs.

*Conversation Starters: “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? How do conflicts of interest affect me, and how will you address them?”*

**Item 4 - Disciplinary History**

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

No, our firm and/or financial professionals do not have legal and disciplinary history. Visit [Investor.gov/CRS](#) for a free and simple search tool to research our firm and our financial. To report a problem to the SEC, visit [Investor.gov](#) or call the SEC’s toll-free investor assistance line at (800) 732-0330.

*Conversation Starter: Please explain your disclosure history to me. Please explain SIA’s disclosure history to me.*

**Item 5 - Additional Information**

Our Financial Professionals are registered representatives of LPL Financial LLC (“LPL”), an SEC registered broker/dealer and investment adviser. Your Financial Professional can offer you brokerage services through LPL or investment advisory services through SIA. Brokerage services and investment advisory services are different, and the fees we, and LPL, charge for those services are different. It is important that you understand the differences. Your Financial Professional can earn additional transaction-based compensation and have additional conflicts of interest because of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing [LPL’s Form CRS – Customer Relationship Summary](#) and having a discussion with your Financial Professional. You can also access free and simple tools to help you research firms and financial professionals at [Investor.gov/CRS](#), which provides educational materials about broker-dealers, investment advisers, and investing. You could also open a brokerage account with a broker/dealer, where you pay a transaction-based fee, generally referred to as a commission, when the broker/dealer buys or sells an investment for you. With a broker/dealer, you can select investments, or the broker/dealer may recommend investments for your account, but the ultimate decision to buy or sell will be yours. A broker/dealer must act in your best interest and not place its interests ahead of your interest when recommending an investment or an investment strategy involving securities. When a broker/dealer provides any service to you, the broker/dealer must treat you fairly and comply with several specific obligations. Unless you and the broker/dealer agree otherwise, the broker/dealer is not required to monitor your portfolio on an ongoing basis. If you were to pay a transaction-based fee in a brokerage account, the more trades in your account, the more fees the broker/dealer charges you. Consequently, the broker/dealer has an incentive to encourage you to trade often. You can receive investment advice in either type of account, depending on the fee structure you prefer. To request an updated Customer Relationship Summary, please contact us at (520) 544-2500.

*Conversation Starter: 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?*