

New England Capital Financial Advisors, LLC – Form CRS

Item 1 – Introduction

New England Capital Financial Advisors, LLC (“NECFA”, “we”, “our”, or “us”) is registered with the Securities Exchange Commission (“SEC”) as an investment adviser. Our services and compensation structure differ from a registered broker-dealer, and it is important for you to understand the differences between those structures. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about broker-dealers, investment advisers and investing. The italicized sentences appearing in text boxes below are intended to be “conversation starters” for you to have with us, as required by the instructions to Form CRS.

Item 2 – Relationship and Services - What investment services and advice can you provide me?

NECFA provides its clients with investment advisory services on both discretionary and non-discretionary basis, separately or in combination, to individuals, high net worth individuals, pension and profit-sharing plans (excluding plan participants), charitable organizations and trusts (our “retail investors” or “clients”). Specifically, NECFA offers clients individual portfolio management, financial planning, consulting services, pension consulting services and seminars. NECFA offers continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Our investment recommendations are not limited to any specific product or service and will generally include advice regarding exchange-listed securities, securities traded over-the-counter, warrants, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States governmental securities, options contracts on securities, interests in partnerships investing in real estate, and interests in partnerships investing in oil and gas interests. Client may impose reasonable restrictions on investing in certain securities, types of securities or industry sectors. NECFA may allocate a portion of client assets be allocated among unaffiliated independent investment managers. In such situations, the Independent Manager[s] shall have day-to-day responsibility for the active discretionary management of the allocated assets. NECFA, however, will continue to provide investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. NECFA also offers financial planning services which includes a comprehensive evaluation of the client’s current and future financial state. Additionally, we can provide more specific consultation and administrative services regarding investment and financial concerns of the client. NECFA may also recommend certain independent service providers, as appropriate, to manage the assets of and advise individual participants and trustees of pension, profit sharing and 401(k) plans. NECFA may also provide educational seminars to clients which, may be open to the public, on various investment topics. To the extent requested by a client, NECFA will generally provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. NECFA will generally provide such consulting services inclusive of its advisory fee set forth at Item 5 below. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.), including certain NECFA’s representatives, in their separate individual capacities as representatives of Purshe Kaplan Sterling Investments (“PKS”), an SEC registered and FINRA member broker-dealer, and as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from NECFA and/or its representatives. If NECFA recommends that a client roll over their retirement plan assets into an account to be managed by NECFA, such a recommendation creates a conflict of interest if NECFA will earn new (or increase its current) compensation as a result of the rollover. If we manage your portfolio on a non-discretionary basis, we cannot execute any account transactions without obtaining your prior consent. Therefore, if we would like to execute a transaction for your non-discretionary account and you are not available to provide consent, we would not be able to execute that transaction, which may place your portfolio at a disadvantage.

Pre-existing advisory clients are subject to our minimum account requirements and advisory fees in effect at the time the client entered the advisory relationship. Therefore, NECFA's minimum account requirements will differ among clients. **Please Note:** As result of the above, and fee differential discussed above, similarly situated clients often pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. For more detailed information about our advisory business and the types of clients we generally service, please see Items 4 and 7, respectively in our [Form ADV Part 2A](#).

Conversation Starters:

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

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

NECFA is compensated for its investment advisory services generally by its clients’ payment of annual fees based on a percentage of the value of their assets under management (“AUM”). Our fees for portfolio management fees range generally between 0.75% and 1.50% and will be invoiced quarterly in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client’s account at the end of the previous quarter. We retain the discretion to negotiate alternative fees on a client-by-client basis. Our financial planning fee is based on the nature of the services being provided and the complexity of each client’s circumstances. Client may either pay a negotiable hourly rate ranging from \$150 - \$450 per hour or a flat rate of \$150 to \$10,000. The minimum financial planning fee is \$150. If a financial planning client becomes a NECFA portfolio management client, we may discount or waive the financial planning fee. Our consulting services fees are calculated and charged on an hourly basis, ranging from \$150 - \$450 per hour and are due and payable as incurred. Certain of NECFA clients may be referred to

unaffiliated service providers for pension consulting services. We may receive an advisory fee ranging from 20 basis points to 100 basis points annually on the assets in the pension or retirement plans in connection with our services. Our clients receiving pension consulting services fees. Clients may also be charged various program fees in addition to our advisory fee. Clients participating in our seminars are charged between \$25 and \$5,000 for the entire seminar program. Seminar fees may be negotiable and are due and payable upon completion of the seminar. **Additional Fees:** Your investment assets will be held with a qualified custodian. Custodians may charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition, relative to all mutual fund and exchange traded fund purchases, certain charges will be imposed at the fund level (e.g. management fees and other fund expenses). Our advisory and financial planning and consulting fees shall be deducted from the Client's custodial account. Our advisory fees, the fees charged by the funds and ETFs and any transaction charges imposed by a broker-dealer with which and when beneficial to the client, individual equity and / or fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian. **Additional Information:** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. We do not accept performance-based 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. Clients should note that similar advisory services may (or may not) be available from other investment advisors for similar or lower fees. For more detailed information about our investment advisory and other fees and expenses, please see Item 5 in our [Form ADV Part 2A](#).

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?

For more detailed information about our fees and costs related to our management of your account, please see Item 5 in our [Form ADV Part 2A](#).

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:

- * We may recommend that you engage a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support makes us more inclined to continue using and recommending them.
- * We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee. If we don't currently manage your account held with your employer's plan, this will increase our compensation.

Conversation Starters:

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

For more detailed information about our *conflicts* of interest, please review Item 4, 10 and 11 of [Form ADV Part 2A](#).

How do your financial professionals make money?

Our financial professionals are generally compensated on a salary basis and are eligible to receive discretionary bonuses at year end. Some of our personnel may receive compensation earned in the individual and separate capacities as registered representatives of PKS Investments, an unaffiliated separate broker dealer and as insurance agents for various insurance companies. You should discuss your financial professional's compensation and any potential conflicts of interest directly with your financial professional.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history? No.

We encourage you to visit www.Investor.gov/CRS to research our firm and our financial professionals. Furthermore, we encourage you to ask your financial professional:

Conversation Starters:

“As a financial professional, do you have any disciplinary history? If so, for what type of conduct?”

Item 5 – Additional Information

Additional information about our firm is available on the SEC's website at www.adviserinfo.sec.gov. You may contact our Chief Compliance Officer, Darren Tapley, at any time to request a current copy of your Form ADV Part 2A or our relationship summary. Our Chief Compliance Officer may be reached by phone at (203) 935-0265.

Conversation Starters:

Who is my primary contact person? 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?