

AFS Financial Group, LLC is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and it is important for you, our client, to understand the differences. Additionally, free and simple tools are 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. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

We offer the following investment advisory services to retail investors: **Portfolio Management Services; Financial Planning Services; Financial Consulting Services and the Selection of Other Advisers.** Detailed information regarding our services, fees and other disclosures can be found in our Form ADV Part 2A Brochure, Items 4, 7, and 8 by clicking this link <https://adviserinfo.sec.gov/firm/summary/306979>.

Account Monitoring: If you open an investment account with our firm, as part of our standard service we will monitor your investments on a quarterly basis.

Investment Authority: We manage investment accounts on a **discretionary** basis whereby **we will decide** which investments to buy or sell for your account. We have discretion to select, retain or replace third-party managers to manage your accounts. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. This ability does not apply to our proprietary model portfolios.

Investment Offerings: We provide advice on various types of investments. Our services are not limited to a specific type of investment or product.

Account Minimums and Requirements: In general, we require a minimum portfolio value of \$1,000,000 per household to open and maintain an advisory account, which may be waived in our discretion.

Key Questions to Ask Your Financial Professional

- **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?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A Brochure, Items 5 and 6 by clicking this link <https://adviserinfo.sec.gov/firm/summary/306979>.

- **Asset Based Fees** - Payable quarterly in advance. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to increase your account value which creates a conflict;
- **Hourly Fees** - Payable in advance or arrears. An estimate of the total time/cost will be determined at the start of the advisory relationship;
- **Other Advisory Fees** - In addition to our fees, if applicable, you will also pay advisory fees charged by third party money managers, which are separate and apart from our fees.
- **Additional common fees and/or expenses such as:** custodian fees; account maintenance fees; fees related to mutual funds and exchange-traded funds; and transaction charges when purchasing or selling securities.

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.

Key Questions to Ask Your Financial Professional

- **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 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.

- Because our revenue is derived from asset-based fees, we have an incentive to grow your account as much as possible. This could cause us to take overly aggressive positions in conflict with your interests in an attempt to grow your account.
- We are affiliated with AFS 401k Retirement Services LLC through common control and ownership. If you are in need of pension consulting services, we will recommend that you use the services of our affiliate if appropriate for your needs. Our advisory services are separate and distinct from the fees paid to our affiliate for those services. Referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services.
- *Third-Party Payments*: Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products. Insurance commissions are separate and in addition to our advisory fees. This practice presents a conflict of interest because they have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs.

Refer to our Form ADV Part 2A Brochure, Items 5, 10, 12 and 14 by clicking this link <https://adviserinfo.sec.gov/firm/summary/306979> to help you understand what conflicts exist.

Key Questions to Ask Your Financial Professional

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

How do your financial professionals make money?

The financial professionals servicing your account(s) are compensated in the following ways: Salary; Bonus, Commission from Insurance Product Sales, and Non-cash compensation. Our financial professionals' compensation is based on the revenue the firm earns. The non-cash compensation received such as fee waivers and enhanced discounts including conferences and events, are a conflict of interest and provide a financial incentive for advisory representatives to select a broker/dealer for your accounts over other broker/dealers from which they may not receive similar financial benefits.

- Our relationship with Commonwealth requires that we maintain a certain level of assets within Commonwealth's program. This creates an incentive to recommend that you establish and maintain your account with Commonwealth, based on our interest in receiving Commonwealth's services that benefit our business, rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions.

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

No, our firm and our financial professionals currently do not have any legal or disciplinary history to disclose. Visit Investor.gov/CRS for a free and simple research tool.

Key Questions to Ask Your Financial Professional

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

You can find additional information about your investment advisory services and request a copy of the relationship summary at 301-951-2642 or click the link provided <https://adviserinfo.sec.gov/firm/summary/306979>.

Key Questions to Ask Your Financial Professional

- **Who is my primary contact person?**
- **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?**