

# Form ADV Part 3 – Client Relationship Summary

Date: 5/01/2024

## Item 1: Introduction

Alliance Financial is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences. This document gives you a summary of the types of services and fees we offer. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free, simple tools to research firms and financial professionals, as well as educational materials about broker-dealers, investment advisers, and investing.

## Item 2: Relationships and Services

What investment services and advice can you provide me? Our firm primarily offers the following investment advisory services to retail clients: portfolio management via wrap and non-wrap programs (we review your portfolio, investment strategy, and investments); financial planning (we assess your financial situation and provide advice to meet your goals); selection of other advisers (we select a third party adviser for you to use). As part of our standard services, we typically monitor client accounts on an annual basis. Our firm offers both discretionary advisory services (where our firm makes the decision regarding the purchase or sale of investments) as well as non-discretionary services (where the retail investor makes the ultimate decision). We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio, but do not limit these investments to proprietary products. Our firm does *not* have a minimum account size. However, LPL may impose an account minimum depending on the specific LPL program chosen. Please also see our Form ADV Part 2A ("[Brochure](#)"), specifically Items 4 & 7. Some of our Financial Professionals are registered representatives of LPL Financial LLC ("LPL"), an SEC registered broker-dealer and investment adviser. Your Financial Professional may offer you brokerage services through LPL or investment advisory services through our Firm. 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. In particular, your Financial Professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing [LPL's 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](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

*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?*

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

What fees will I pay? Our fees vary depending on the services you receive. Additionally, the amount of assets in your account affects our advisory fee; the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee. For hourly fee arrangements, each additional hour (or portion thereof) we spend working for you would increase the advisory fee. Our fixed fee arrangements are based on the amount of work we expect to perform for you, so material changes in that amount of work will affect the advisory fee we quote you. Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Asset-based pension consulting fees are generally paid from plan assets but may be paid by the client in some cases. Fees for selection of AssetMark as third-party adviser are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees for selection of Ascensus as third-party adviser are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Financial planning fees are paid via check or by ACH, debit card, or credit card using AdvicePay. Financial planning fees are due in arrears upon completion. You pay our fees even if you do not have any transactions and the advisory fee paid to us generally does not vary based on the type of investments selected. Please also see Items 4, 5, 6, 7 & 8 of our [Brochure](#).

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Some investments (e.g., mutual funds, variable annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. The same goes for any additional fees you pay to a custodian. Additionally, you will pay transaction fees, if applicable, when we buy or sell an investment for your account. For the wrap fee program, you will not typically pay additional transaction fees and thus our advisory fee is higher than if you paid transaction fees separately. **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.** Please also see our [Brochure](#) for additional details.

***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 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:

- *Our financial professionals can receive commissions and therefore have an incentive to recommend products that provide them or us additional compensation over those that do not*
- *For AUM fees, the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee*
- *For hourly fees, each additional hour we spend working for you would increase the advisory fee and thus we have an incentive for you to agree to have us complete more work for you*
- *For fixed fees, the more work we expect to perform for you, the higher our fee would be and thus we have an incentive for you to agree to have us complete more work for you*

***Questions to ask us: How might your conflicts of interest affect me, and how will you address them?***

How do your financial professionals make money? Primarily, we and our financial professionals receive cash compensation from the advisory services we provide to you because of the advisory fees we receive from you. This compensation may vary based on different factors, such as those listed above in this Item. Our financial professionals also have the ability to receive commissions from clients and therefore have an incentive to recommend products that provide them or us additional compensation over those that do not. When we manage your portfolio in a wrap fee program, we have an incentive to limit trading in your account and to favor asset types that do not have a transaction fee in order to minimize trading expenses that we would have to normally pay out of our management fee. Please also see Item 10 of our [Brochure](#) for additional details.

## Item 4: Disciplinary History

Do you or your financial professionals have legal or disciplinary history? No, we do not have legal and disciplinary events. Visit <https://www.investor.gov/> for a free, 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?***

## Item 5: Additional Information

For additional information on our advisory services, see our [Brochure](#) available at <https://adviserinfo.sec.gov/firm/summary/319679> and any individual brochure supplement your representative provides. If you have any questions, need additional information, or want another copy of this Client Relationship Summary, then please contact us at 610-376-5981.

***Questions to ask us: 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?***

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## Exhibit A – Material Changes to Client Relationship Summary

- Financial planning fees are paid via check or by ACH, debit card, or credit card using AdvicePay.  
(Item 3)