

Form ADV Part 3: Relationship Summary Spear Advisors LLC

Introduction

Spear Advisors LLC (“Spear Advisors” or “we”) is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: Spear Advisors offers investment advisory services to retail investors. Our investment advisory services include providing Asset Management Services to a select number of clients that qualify as “Exempted Persons” or “Qualified Clients” as defined by the U.S. Securities and Exchange Commission.

Asset Management Services: We provides asset management services which involves us managing and trading your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment goals. As a standard part of our services, we will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. For more information, please see **Item 4** of our **Form ADV Part 2A**. When engaging us for asset management services, you can choose whether you’d like us to provide services on a **discretionary** basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a **non-discretionary basis** (we will have to confirm any trades in your account with you before we place them). For more information about investment authority, please see **Item 16** of our **Form ADV Part 2A**.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client’s specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer’s platform. When providing asset management services, clients will be solicited to invest in our affiliated exchange traded fund (Spear Alpha ETF).

Account & Fee Minimums: There are no minimum investment amounts or conditions required for establishing an account managed by us.

Conversation Starters: *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?

Description of Principal Fees & Costs: Fees charged for our asset management services are charged based on a percentage of assets under management, billed in arrears on a quarterly calendar basis, and calculated based on the fair market value of your account as of the last business day of the current billing period. The annual fee for asset management services will range up to a maximum of 2.00% of your assets under out management. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. When engaging us for asset management services, you will also incur other fees and expenses. The broker-dealer/custodian on your account will charge you transaction fees for executing trades in your account. You will also be charged internal fees and expenses by the funds we invest in within your account.

Under certain situations, we charge performance-based fees to clients who meet the definition of “qualified client” which means you must have at least \$1 million under management with our firm or a net worth of more than \$2.1 million at the time the investment advisory agreement is executed. You are typically charged both an annual fee of up to 2% of the client’s assets under management and a performance-based fee contingent upon performance of your account. The performance based fee will be tied to the capital appreciation (i.e. capital gains) within the account as evaluated at the end of each calendar month. The performance-based fee will be payable monthly, in arrears. The performance-based fee will generally not exceed 20% of the capital appreciation attained within the client’s account. The exact fee and fee arrangements may vary or be different than that described above based on the complexity of client’s situation, number of

accounts managed, total assets under management and other factors specific to the client. The specific fee arrangements for you will be specified in that your advisory services agreement with us.

Additional Information: 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 more information about the fees we charge and the other fees and expenses you will incur, please see **Item 5** of **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?*

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?

Standard of Conduct: 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.

To the extent we recommend you roll over your account from a current retirement plan to an individual retirement account (“IRA”) managed by us and subject to our asset-based investment advisory fees, this is a conflict of interest because we have a financial incentive to recommend that you move your IRA to us even if it is not in your best interest. For more information about this conflict and our procedures to mitigate the conflict, see **Item 4** of our **Form ADV Part 2A**. When we provide asset management services, we will work with the qualified custodian you select to maintain custody of your assets and to effect trades for your account. If clients do not have a choice of a custodian we will recommend the use of a custodian. This selection may not be based solely on your interest of receiving the best execution possible. We also recommend qualified custodians because they provide us with research, products and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which save us money; however, these arrangements create a conflict of interest. See **Item 12** of our **Form ADV Part 2A** for more information about our arrangements with the qualified custodian selected by the client. We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for those conflicts. For more information see **Item 11** of **Form ADV Part 2A**.

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

Additional Information: For more information about our conflicts of interests and the ways we are compensated, please see **Item 5** and **Item 10** of our **Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: We compensate our investment adviser representative based on the level of assets that the representative brings in to us. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

No, neither us, nor our investment adviser representative have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representative at <https://www.investor.gov/CRS>.

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

Additional Information About Spear Advisors

Additional information about us and copies of our Form ADV Part 2A disclosure brochure and this relationship summary are available on the Internet at www.spear-invest.com. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/314594>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at 347-597-2738.

Conversation Starters: *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?*