



# Financial Investments Associates, LLC.

Sound strategies for client-sensitive investment alternatives

2017 Firm Brochure

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Dated: January 1, 2017

**This brochure provides information about the qualifications and business practices of Financial Investments Associates LLC. If you have any questions about the contents of this brochure, please contact us at (305) 595-9928 and/or [fgs@finvas.com](mailto:fgs@finvas.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Financial Investments Associates LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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## **Investment Profile, Investments, Strategies, Information Sources, Education, and Background**

The firm is registered in the State of Florida since January 2010. Francisco Gonzalez-Soldevilla is the firm's founder and the managing director. No one else has any personal or institutional interest in the firm. The firm works individually with clients addressing the specific concerns of each, working to meet individual financial goals.

The firm is not engaged in the distribution of insurance products. However, the managing director has been in the insurance industry over 40 years and he personally represents different life and health insurance companies as a licensed agent. His insurance-related work is a personal pursuit that remains completely disconnected from this firm.

### **How We Work With You**

When working with you as a client, we set out to assemble a financial profile. We use information that you give us and record your answers in forms we use to understand you, your background, and your goals as our client. This data used serves us in part to satisfy the industry's requirements, ensuring that your assets come from legitimate sources and don't stem from criminal activities, but also to form an accurate picture of your financial condition, identify your financial goals, create different time horizons for your individual goals to work out, and to develop an understanding of how much risk you are willing to accept with the structuring of your investments in our joint effort to reach your financial goals.

Because your needs change with time, when we sit down with you to discuss our progress, we verbally confirm the information initially developed or you notify us of changes, we will make notes in our files to guide our assessment. At each meeting, we will bring up the risks we perceive so you clearly understand the dangers that could side-step your financial goals despite our best intentions. We take these steps to assist you with your financial decisions because we will never change anything in your account without your prior authorization verbally over a phone conversation or through written correspondence.

We recognize that we live in a world where risk is everywhere. For this, we want to feel that you clearly understand the markets, the market conditions, and the political currents that could undermine our expected returns, produce unwelcome losses, and alter your timeline to achieve intended results. Because all of life is change, we try to explain clearly that change and risk are an integral part of every investment transaction, so we talk about this regularly.

Products become obsolete. Innovation derails expectations. Sector performance alternates and volatility erodes confidence along the way. Ignorance may be bliss for some, but it is also the culprit for broken dreams and failed results. We emphasize that you must become a well-informed investor to remain abreast of situations to determine the best approach to realize your goals.

While we work with you, we always refer to your investment objectives and your timeline for their realization. Since as we've stated before, we do not invest without sharing with you our reasons to recommend any course of action, we will inform you often of alternatives, yet the final decisions are always yours to make. When we present you with alternatives, again, we will not take any action until you express your direct instructions.

We request that you pay our fees directly. We want you to remain involved in the investment process and to be aware of how we earn our fees. Ideally, you will always write us a personal check to cover our fees. At times, you may choose instead to give us a signed Letter of Authorization that we will present to the custodian of your assets to withdraw our fees from the available funds in your account.

When investing your assets, we use a combination of financial instruments. The combination varies according to your individual investment profile. Again, for emphasis, when we place your money to work, we want to know that you are aware of how your portfolio is structured. We will follow an asset allocation that you reviewed and approved beforehand.

We strive to offer investment advice that follows industry-accepted guidelines as to allocations, percentages of participation, sectors, and prudent-man considerations. We only act in the manner of what a prudent man would do if facing a similar situation. As we invest your assets, we evaluate your needs for cash, your personal goals, the issues that worry you, the time span we discussed with you, and your level of tolerance for risk.

The financial instruments we will use are:

- Exchange-listed securities
- Foreign issuers
- Warrants
- Corporate debt securities
- Commercial paper
- Certificates of Deposit
- Securities traded over-the-counter
- Municipal securities
- United States government securities
- Option contracts on securities
- Mutual funds
- Exchange Traded Funds

Our Managing Director, who is our sole investment adviser representative, is well experienced in the creation, protection, and growth of capital as well as in its orderly transfer between generations. During our time in the industry, we have experienced good and bad times in the domestic and global marketplaces, in up and down markets, in smoother and more volatile and difficult times. We try to avoid losses, but you should understand that market volatility and

unwelcome investment losses will still impact your financial goals because no one can foresee the future. In essence, it is impossible to eliminate risk altogether. We understand hedging strategies, investment alternatives, asset allocation models, structured investment products, foreign exchange, and financial instruments carrying investment promises and returns from government and publicly traded corporate entities, but losses are part of the investment process and we try to deal with them according to your risk level of comfort. We are comfortable accepting your instructions and restrictions on the manner you want your investments structured.

At present, we have \$7 million in assets under management and none of it is with discretion. Discretion means we buy and sell in accounts without having to consult the client first. We never use discretion when handling client investments. All our transactions are clearly discussed with our clients before any asset is bought or sold. This means we must connect with each other and our access to you is as essential to our relationship as your access to us.

If your needs warrant it, we may connect you directly with investment managers for separately managed accounts, multi-strategies funds of funds or we may form strategic relationships to enable us to provide the quality of service we know you expect. We always strive to meet your short and long-term financial goals by taking orders from you to do exclusively what is best for you and your individual goals.

While investment advice is geared to individuals, their own personal goals and investment profiles, there are many instances where investment profiles overlap one another. Financial instruments are not unique. They are readily available in the marketplace and everyone has access to them.

It could happen that our associates may buy and sell securities in their own portfolios they also recommend to you and other clients at the firm. There will be instances where your investment portfolio holds securities that we also hold in our portfolios. Our trading of similar securities or the duplication of portfolios is not done to benefit or hurt you or anyone else in any manner.

The size of our firm and the value of all our investments in particular securities would not be sufficient to move the market. We do not offer proprietary products or in any manner try to imply that the products or services we deliver are unique to our firm. Our only claim is that we always place your needs and the quality of our services above any other concern.

## **Our Investment Strategies**

In the course of our work, we use the following investment strategies to implement any investment advice we give you and our other clients:

- Long term purchases
- Short term purchases
- Trading securities

- Short sales
- Margin transactions
- Option writing, including covered options, uncovered options or spreading strategies

## **Our Sources of Information**

In our operations, we use printed and digital media. We use newspapers and magazines, research materials prepared by others representing their information as authentic and unbiased. We also often use corporate rating services to support our asset allocation strategies and suggestions.

Since Financial Investments Associates LLC does not engage in proprietary analysis or research, we use and rely on readily available publications to remain abreast of domestic and global newsworthy developments. The information we access includes political, economic, and securities markets information. Some of these publications reach us through direct subscription and others are readily available in print or accessible on the Internet. The sources of our information are all open to subscribers and the public in general. We do not represent having exclusive sources of information or conducting individual due diligence because we use listed funds and other securities where the oversight lays on the different regulating bodies that oversee their operations.

Because we don't conduct our own research, we must find our data in published sources to remain abreast of financial conditions in the marketplace. We choose to use third-party data. Any third-party research made available to us would also be available to you as our client upon request. We will happily provide you links to the data if you request it and often without your request we will share the information we find important and worthy of notice.

## **Education and Background**

Francisco Gonzalez-Soldevilla, born in 1947, is the firm's founder and Managing Director. He attended the University of Miami and received a Bachelor of Arts in 1970. From 1970-1973 he attended the University of Miami's graduate school seeking a Master in French language and literature. In 1996, he received a Master of Arts in Hispanic Studies from Florida International University.

While he taught foreign languages for three years immediately after graduating from college, in 1972 he began his career in the financial services industry as a special agent with John Hancock Mutual Life Insurance Company. After several years of on the job training and personal production, he established his own insurance agency in 1980, servicing professionals and small entrepreneurs, particularly to address employee benefits, as he delivered solutions for personal financial security, retirement, and estate planning. He worked with private and commercial clients of different sizes and financial resources seeking to establish, fund, grow, and service qualified retirement plans, selective pension plans, as well as group life, health and disability benefits. In 1989, he sold the company, returning for a seven-year period to the high school and college academic world.

In 1997 he returned to the financial services industry with Prudential Securities where he remained until 2002, when he resigned as Sales Manager to become Senior Vice-president and Sales Manager at a Miami-based, smaller, independent broker dealer. As Director of Sales and Products at the firm, he worked and oversaw the operations of the firm as one of its principals. In 2008 he resigned to become Branch Office Manager at the newly formed Miami branch of a foreign-owned broker dealer until May 2009.

These firms were registered broker dealers. The scope of their business plan did not include a fiduciary responsibility to their clients. Realizing the inherent conflicts of interest that exist between a broker dealer and its clients motivated our managing director to establish Financial Investments Associates, LLC as a firm with the guiding principle of assisting investors like you looking for unbiased and tailored advice from professionals like us in the financial industry.

When we want to grow, we would look for associates with a college degree. We want advisors to have finished college with a degree because we believe it's a high achievement. We believe a college degree gives evidence of a person's ability to follow a long path that requires social interaction, determination, concentration, dedication, patience, effort, persistency, and the clear desire to achieve something often difficult over the course of several years. We would also look to bring into our association individuals with a track record that shows extensive experience in banking, investments, and who through the years struggled to be successful under different market conditions in the domestic and international arena.

## **Advisory Services, Fee Structures, and Ethics**

At Financial Investment Associates LLC, our only objective is to provide you investment advice and investment supervision in an environment that is free from conflicts of interest. We work to serve our clients' best interests in what is known as a fiduciary capacity. We undertake our fiduciary responsibility very seriously and remain determined to deliver our best quality of service while we focus on the responsibilities we have to you as a client. As we have stated previously, we are independently owned and operated, without undisclosed affiliations with any other company or group. Our only consideration when working with you as a client is what is best for you.

Our firm does not receive revenues from sources that we keep secret or unpublished. We disclose all our fees and the manner in which we earn them. Our clients are our only source of revenue at Financial Investments Associates LLC. We generate revenues in one of three ways and our clients freely decide which one of our payment structures is best suited for what they have in mind.

1. A sliding scale for a rate based on a client's total assets under management at the firm
2. A fixed fee of \$150 per hour

3. A fixed fee of \$450 for an instructional session covering financial literacy; a presentation on financial products and investment alternatives well-suited for the small investor who wants to go at it alone after a couple of helpful and informative sessions.
4. We do not operate with performance-based fees.

If you choose to establish a non-discretionary investment relationship with us and our advisor associate, you must sign a written agreement. The document explains how we work, the services we provide, and our fee structure. This agreement would entitle you to receive quarterly follow-ups and reviews together with direct telephone access to our adviser associates as often as you deem necessary. However, you do not have to execute our advised strategies through our direction. You could do it yourself or find any other broker dealer of your choice to execute the trades. We do not derive any revenue from the execution of trades the sale of mutual funds or in any manner benefit from your trades. Again, our only source of revenue comes from you in the form of fees.

Under our non-discretionary investment management form, our fees are based on percentages of the total assets you ask us to manage. Our fees are due on a quarterly basis, on the first day of every quarter, beginning on the first day in January, April, July, and October every year, as long as we continue to manage your assets. If you wish to end our relationship and withdraw your assets from our management, your request to end our joint work will generate a refund of un-earned fees that we calculate on a pro-rata basis. You will receive a refund at the address you give us for written communications by the 15th day of the following month after you let us know that you want to stop our joint work.

Under our agreements, our fees are payable in advance. If you choose the non-discretionary investment management agreement, our fees for the quarter are based on the total amount of assets that we manage for you according to the schedule that follows.

- On the first \$500,000.00 of assets, our quarterly fee is one quarter of one percent, (0.25%)
- If the assets you give us to manage fall between \$500,000.01 and \$999,999.99, our quarterly fee is eighteen and three-quarters basis points, (0.1875%)
- If your assets under our management fall between \$1,000,000.00 and \$1,999,999.99, our quarterly fee is twelve and one half basis point, (0.125%)
- If your assets under our management exceed \$2,000,000.00, our quarterly fee is ten basis points, (0.10%)
- If your assets under our management exceed \$3,000,000.00 our quarterly fee is negotiable.

On the last day of every quarter, we take the value of your portfolio and apply the appropriate rate as shown above to the total sum we manage to arrive at the total fee you will owe us for the next quarter. We are due our fees when your assets appear to grow as expected, but also when your assets appear to lose market value. It's how the regulations of our industry dictate. As we explained, we prefer that you pay us by writing a check, but if you request, we will

accept a signed letter of authority instructing the custodian of your assets to write us a check from your account or if we have an account at the same institution, to transfer from your account to ours the amount you authorize them to pay us.

At any time, we may end our agreement. If you want to stop working with us, you must advise us in written form. We would notify you in a similar manner. Our office address is 9221 SW 60th Street, Miami, FL 33173. The firm's registration number or CRD is #152020.

## **Example**

If on the first of January you bring us \$1,000,000.00 to manage under our non-discretionary investment advisory agreement, we would multiply that figure by a factor of 0.00125 (twelve and one half basis points or 0.125%) to arrive at the sum of \$1,250.00 you would owe us for the ensuing quarter's work.

If our relationship begins any time along the course of a quarter, we would bill for the remaining days of the running quarter at the time the accounts come under our management. Ours is a simple formula, earned on a pro-rata basis, 1/90th for every day of the quarter. We find our fees fair; better than competitive, among the lowest in the marketplace, and consistent with industry standards.

At Financial Investments Associates LLC, we work with you and other clients that may come to us as individuals, trusts, estates, charitable organizations, corporations and other commercial enterprise designations, as well as with pension and profit sharing plans.

## **The Profile of Our Clientele**

Our present clientele consists of individuals with varying amounts of investable assets; some with substantial sums of money to invest while others have considerably less at their disposal. Our firm serves clients with \$25,000 in taxable investment assets and accounts of all sizes for qualified investment money earmarked for retirement. We choose to provide assistance and information across the full sector of investors, less well-to-do and high-net worth individuals, all seeking information and guidance with their finances.

This makes us rather unique for a marketplace where the best-known asset managers working in an investment advisory capacity tend to exclude individuals with fewer resources and opt to work almost exclusively with the very affluent.

For us, it's clear that most investors hold assets that are the product of hard work, where they often grow these assets with difficulty and self-denial only to accomplish the funding of a personal financial goal. Often these savers are unsophisticated and unaware of different ways to position their money to produce results that through the years have tended to yield better outcomes if compared to other asset-building strategies. While historically the financial advice

arena in general has been more accessible to the high-net worth investor than to the larger group of investors with fewer resources, we set out to help discontinue that trend by making advice and knowledge accessible to all.

Our firm seeks to provide the hard-working investor whose assets are derived from a lifetime of disciplined savings with tools to achieve similar results as the more coveted group of investors with loftier resources. From our perspective, a fiduciary responsibility should always take precedence over company revenues and business strategies when handling investors' capital. Therefore, the way we work explaining, clarifying, and in general educating consumers like you as to products and services available in the marketplace helps everyone to create, preserve, and grow wealth. Our work should benefit anyone wanting to find financial and investment guidance to meet financial goals. We are proud of our timely decision to establish this company to serve investors, providing financial literacy after the economic disaster of 2009.

## **Our Code of Ethics**

We abide by a clearly established code of ethics. We provide you a copy of this document when we first meet and we will provide you additional copies again if you request. The document is titled "Code of Ethics & Standards of Professional Conduct."

Our code of ethics is a five-page document that describes our commitment to hold ourselves to the highest standards of ethical behavior. It explains that we work with integrity, competence, and dignity. It further explains that we encourage others to act in a professional manner that reflects positively on themselves, the firm, and our profession. It also states that we use reasonable care and exercise independent professional judgment in our activities. We embrace carefully the ethical standards published by the CFA Institute.

## **Custody, Clearing, Other Business Activities and Final Disclosures**

At Financial Investments Associates LLC, we do not hold assets under custody. If you bring us your business, you will determine where you want to hold your assets for custody and clearing. You would sign an authorization that gives us access to the capital you want us to work with. This authorization would be limited to buying and selling securities. It would not allow us to move your money away from your account or from your custodian. These forms may be titled *Limited Power of Attorney* or *Trading Authorization*.

If your custodian does not allow us to trade your account because they do not recognize these types of documents, we may explain that we are not able to work with the company you chose initially. Also, if the entity where you prefer to hold your assets charges higher than average fees for our trading transactions, higher than what discount brokers would charge for similar transactions, we may suggest a couple of names of other custodians charging discount rates for the transactions we execute in your account, but the final decision would be entirely yours

to make. We would not bring it up again if we understand that transaction costs are not important to you.

## **Other Business Activities**

There are instances where we operate outside the limits of the investment advisory services, specifically, our managing director in the distribution of insurance products. When this takes place, it is to protect your ability to safeguard your personal income, to prevent the loss of your family's financial support if you disappear prematurely as a breadwinner, or to offer you sensible capital alternatives in the protection of your estate at your death. In all of these instances, you are free to obtain the products he suggests at another firm and through another provider.

If you decide freely to continue with our associate who initially uncovered your needs and offered you the products to resolve them, you will be accepting his services as insurance agent. The revenues he may receive from insurance transactions are separate, distinct, and of a different nature than those of our advisory agreement and the fee structure you selected when you came to us as a client. The purchase of insurance products does not change our fee structure or the management of your investments. Insurance transactions are made outside the field of our firm's services and fee structures.

Insurance is distributed according to individual contracts signed between accepted insurance companies in the State of Florida and an insurance agent. We want to make it very clear and it's why we emphasize that insurance distribution and related transactions are not connected in any way with the services of Financial Investments Associates, LLC. Further, Financial Investments Associates, LLC is not licensed and does not operate as an insurance agency and consequently, does not engage in the sale or distribution of insurance. Insurance products fall outside the scope of our service. Consequently, the commissions the insurance companies pay to their agents and producers together with any and all revenues derived from the sale and distribution of insurance products and services fall outside the scope of business of this firm.

Insurance-related activities in the State of Florida fall under the control of the Office of Insurance Regulations.

## **Final Disclosures**

We live in a competitive world. Often, foreign clients like to protect their assets by investing in companies outside their local markets in their own countries of origin and of domicile. Many foreign investors often use local advisors for their local concerns in their local currency, but some also request access to US registered firms to handle their foreign assets abroad.

On occasion, Financial Investments Associates LLC may split fees with foreign professionals who refer business to us by introducing their foreign clients to our firm for our investment advice in the US and abroad.

We do not have custody of clients' accounts or assets. We do not accept or have authority to vote clients securities. Clients will receive directly from their custodian proxies and other solicitations.

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Financial Investments Associates, LLC and managing director Francisco Gonzalez-Soldevilla do not have any history of disciplinary action from any entity regulating the financial services industry.