

## Form ADV Part 3: Relationship Summary Cambridge Advisors Inc.

### Introduction

Cambridge Advisors Inc. (“Cambridge 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 professionals 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:** Cambridge Advisors offers investment advisory services to retail investors. Investment Management Services: We provide management services which involve 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. We will continuously monitor your account when providing management services and be available to discuss your portfolio at least annually. Financial planning is included in our management services. We will provide management 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). Financial Planning & Consulting Services: We also provide financial planning and consulting services as a separate service which involves us creating a written financial plan or financial consulting when a plan is not needed covering mutually agreed upon topics. Retirement Plan Participant Advice: If your retirement plan utilizes our Retirement Plan Participant Advice Service, we are available at your request to provide one-on-one advice to you as a retirement plan participant regarding your investment options under the plan. Please see **Item 4** and **Item 16** of our **Form ADV Part 2A** for more information.

**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 purchase for your account securities which are available on your custodian/broker-dealer’s platform. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** We require a minimum of \$500,000 in order to open an account managed by us, however, you can aggregate all household accounts to meet the minimum. This minimum may be waived at our discretion.

**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 management services are charged based on a percentage of assets under management, billed in advance on a quarterly calendar basis, and calculated based on the fair market value of your account as of the last business day of the previous billing period. The annual fee for management services is 1.00%. We have an incentive to recommend that you increase the level of assets in your account. When engaging us for management services, you will also incur other fees and expenses. The broker-dealer/custodian on your account could 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. We offer our financial planning services as part of the investment management fee or as a stand-alone service for \$2500 to clients who do not meet the investment minimum or who do not utilize our investment management services. In that case, one-half of the fee is collected as a retainer and the balance is due upon completion. Fees for financial consultations are based on client’s complexity and scope. Fees for our Retirement Plan Participant Advice for assets held away are 0.25% per quarter of the balance in the retirement plan. Our financial planning and consulting services do not include implementing any recommendations we may make. We will implement any recommendations when you become an investment management client.

**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 interests 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. Here are some examples to help you understand what this means. 1) 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. 2) When we provide management services, we recommend that you establish an account with Charles Schwab & Co., Inc. for custody and trade execution. This recommendation is not based solely on receiving the best execution. 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, it creates a conflict of interest. Clients may choose another broker dealer on their own. For more information see **Item 12** 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 representatives by a salary based on the assets that the representative brings in to us and a bonus. 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 representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives 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 Cambridge Advisors***

Additional information about us and a copy of this relationship summary are available on the Internet at [www.cambridgeadvisors.net](http://www.cambridgeadvisors.net). You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/104851>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at 402-697-1166.

**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?*