

FORM CRS  
A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH CORNERSTONE ADVISORS  
MARCH 3, 2022

**ITEM 1 – INTRODUCTION**

Cornerstone Advisors is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is essential for you to understand these differences. Free and simple tools are available to research firms and our Financial Professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides 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 offers investment advisory services to retail investors. Our firm manages advisory accounts on a discretionary and non-discretionary basis. Our Firm monitors your investment advisory accounts, and specific investments within your accounts, on an ongoing basis to align with your investment goals. This service is included as part of the Firm's standard advisory services. In a discretionary account, you have granted written investment authority to your Financial Professional to execute purchase and sell orders in your advisory accounts without consulting with you first. You may limit our discretion, such as by imposing reasonable restrictions on investing in certain securities or groups of securities. In a non-discretionary account, you have not granted written trading authority to your Financial Professional, and he or she will consult with you before executing trades in your account. As the retail client, you make the ultimate decision regarding the purchase or sale of your investments. Our Firm does not require a minimum dollar value of any account to which it provides advisory and financial planning services. If deemed appropriate for you, our Firm will recommend utilizing an independent Third Party Money Manager ("TPMM") to aid in the implementation of investment strategies for the client's portfolio. Our Firm offers financial planning and consulting services for our clients. Financial Planning services can be provided on a stand-alone basis or in conjunction with our investment management services. Our Firm provides general investment recommendations, on a limited basis to our clients. In a consulting engagement, you will be required to select your own investment managers, custodian, and/or insurance companies for the implementation of consulting recommendations.

**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?

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 4, 7, 8 13 & 16

**ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT**

**WHAT FEES WILL I PAY?**

Our Firm receives a fee as compensation for providing investment advisory services on your account. The investment management fee includes investment management supervision, trade entry, and other account maintenance and/or service activities. Our investment management fees are based on a percentage of the total account value. Our maximum annual investment advisory fee is 1.25%, billed in arrears on a quarterly basis. You pay this fee even if you don't buy or sell investments. The more assets in your advisory account(s), the more you will pay in fees, and therefore, our firm has an incentive to encourage you to increase the assets in your account(s). Your custodian will charge transaction costs, custodial fees, redemption fees, retirement plan and administrative fees, or commissions. The mutual funds and/or ETFs held in your advisory account(s) will charge management fees and other expenses. Our other Firm fees are billed as follows: Fees for financial planning services range from \$150-\$300/hourly in which a comprehensive financial plan is delivered. For TPMM, fees and billing methods are outlined in each respective TPMM's Brochure and Advisory Contract. You pay an on-going fee directly to the TPMM based upon a percentage of your assets under management with respect to each TPMM. Fees for consulting services are negotiated on an hourly or fixed dollar amount. Fees and costs will reduce the amount of money you make on your investments over time. Ask your Financial Professional about the fees you will pay.

**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

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5

**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. Asset-based fees present a conflict because our Firm is incentivized by encouraging you to invest additional funds in your advisory accounts. Asset-based fee compensation also poses a conflict when: a) Advising you to rollover a 401(k) balance, when equivalent and less costly options are available if funds are left with the employer's fund manager. b) Advising you not to pay off a mortgage (thus diminishing assets), even when the mortgage carries a high interest rate. Our Firm is required to disclose commonly owned entities that would provide different services to you and generate additional compensation to our Firm. Please note that you always have a right to choose services and products from our affiliated entities or any other firm that provides similar services and products. Our Firm allows our Financial Professionals to trade in their personal accounts and may invest in the same securities as clients. However, all our Financial Professionals personal securities accounts are supervised on an ongoing basis. Lastly, some of the products, services and other benefits provided by your custodians are used in servicing all of our Firm's advisory accounts and therefore may not directly benefit your advisory account. If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional. If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional.*

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5, 10, 11, AND 14

**CONVERSATION STARTERS:**

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

**HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our Firm's Financial Professionals are compensated based on the revenue our firm earns from our investment advisory fees. This compensation is based on the amount of assets they service, the amount of time spent, and the complexity required to meet the client's needs or revenue based on the recommendations provided by our Financial Professionals. Some of our Financial Professionals are insurance licensed and receive commissions, trails, or other compensation from the respective insurance companies as a result of effecting insurance transactions. However, you have the right to decide whether to act on the recommendation. We recognize our duty to place your interests first and have established policies in this regard to avoid any conflicts of interest. While some of our Firm's Financial Professionals are engaged in outside business activities, we are required to disclose material outside business activities and any conflict it may pose to you. Our Firm supervises the business activities of our Financial Professionals through our compliance program. All Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you.

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5, 10, 11, 12 & 14

**ITEM 4 – DISCIPLINARY HISTORY**

**DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

**CONVERSATION STARTERS:**

- As a Financial Professional, do you have any disciplinary history? For what type of conduct?

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 9

**ADDITIONAL INFORMATION ABOUT OUR SERVICES OR A COPY OF THIS CLIENT RELATIONSHIP SUMMARY**

For additional information about our investment advisory services visit the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our firm's IARD number is: 114510 You may also contact us directly for up-to-date information and to request a copy of the relationship summary at: 785-273-2685.

**CONVERSATION STARTERS:**

- Who is my primary contact person? Is he or she an investment adviser or a representative of a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

**MATERIAL CHANGES SINCE LAST FILING**

There have been no material changes since our last filing.