



**CleverAlpha Asset Management, LLC.**  
**Form CRS Customer Relationship Summary**  
**December 14, 2025**

CleverAlpha Asset Management, LLC. ("CleverAlpha") is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). The services of and fees for brokerage and investment advisory services differ and it is important for you to understand those differences. Free and simple tools are available to you to research CleverAlpha, other firms and financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS), where you may also find important educational materials about broker-dealers, investment advisers and investing.

**What investment services and advice can you provide me?**

We offer discretionary investment management services primarily through our interactive digital platform ("Robo-Advisor"). We offer two tiers of service:

Digital Service (Standard): We utilize proprietary algorithms to manage your portfolio using Exchange Traded Funds (ETFs). We automatically rebalance your account to keep it aligned with your risk profile.

Premium Service (AI Tax-Scoring): Available upon request, this tier uses advanced algorithms to optimize asset location between your taxable and retirement accounts (e.g., placing high-yield assets in IRAs and tax-efficient assets in taxable accounts) to minimize tax impact.

**Ask your financial professional the following questions:**

*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?*

In either case, as part of our advisory service, we conduct a preliminary digitally based interview with clients to understand their age, financial condition, employment status, investment objectives, risk tolerance and time horizon. Then via a subsequent series of interview questions a risk tolerance score is mapped to the client which all combined the algorithm will select a portfolio comprised of ETFs and/or cash (collectively, "Assets"). Based on the client's information, the algorithm will periodically rebalance accounts under our management, and will seek to balance risk and reward

CleverAlpha manages accounts on a discretionary basis.

Discretionary basis means our firm has authority to determine the type of securities bought and sold, the dollar amounts of the securities to be bought and sold. We maintain this discretion until it is revoked (e.g., by termination). There is no minimum account size; however, the minimum deposit via ACH is \$10.

For further information about our services and advice please read Items 4, 7, and 8 of our Form ADV Part 2A disclosure brochure. [Click here](#) for a copy or go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**What fees will I pay?**



We charge an ongoing asset-based fee, billed monthly in arrears. The amount you pay depends on the service tier you select:

Digital Service: Account Value \$0 - \$5,000: \$1.00 per month.

Account Value > \$5,000: 0.25% per year.

Premium Service: All Account Values: Up to 0.50% per year.

Note: Fees are billed monthly in arrears. Management fees may be lower for High Net Worth accounts exceeding \$1 million or for sub-advisory relationships.

Wrap Fee Program: We participate in a "wrap fee" program. This means our management fee generally covers transaction costs and brokerage commissions for trading. You will pay our fee even if there are no trades in your account during the billing period.

Other Costs: In addition to our fee, you may incur costs such as expense ratios (internal fees charged by ETFs), wire transfer fees, or other custodial administrative fees.

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. See Item 5 of our Form ADV Part 2A Brochure for more details. There are no other separate fees for any trade execution or custody service. CleverAlpha generally charges a monthly asset management fee in arrears, based on the AUM as of the close of business on the last business day of the preceding calendar month. Fees will be deducted from your account. You may pay additional fees to third parties in connection with your managed account. These can include (as applicable), mutual fund 12b-1 fees, distribution fees, deferred sales charges, IRA fees, wire transfer and electronic fund fees, and other administrative fees. However, the Firm does not receive any portion of these costs

**Ask one of our financial professionals the following questions:**

*Help me understand how these fees and costs might affect my investments. If I give you \$5,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

More detailed information about our fees and other costs associated with investing, along with applicable conflicts can be found in Items 5, 10, and 14 of our Form ADV Part 2A disclosure brochure. [Click here](#) for a copy or go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**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 serve as your investment adviser, our first obligation is to act in your best interest and put your financial goals ahead of our own. At the same time, the way we earn fees can create potential or perceived conflicts of interest with those goals, and it's important to talk openly about them so you understand how they might influence our recommendations. Our fee structure should never motivate us to push your portfolio into a more

**Ask your financial professional:**

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

aggressive or higher-risk allocation just to increase your account value and, in turn, our compensation. Your allocation is driven by your inputs and choices: your risk tolerance, time horizon, and liquidity needs and rebalancing occurs when new cash needs to be invested or when the algorithm identifies a need to adjust your portfolio based on performance.

To clarify our affiliations: Our CEO and CTO are registered with Velocity Clearing LLC, a broker-dealer. However, Velocity personnel do not have access to CleverAlpha client data, and there is no expense-sharing agreement between the firms. CleverAlpha pays 100% of its own operational costs. We do not use Velocity for custody or trading, ensuring our fiduciary advice is independent of this affiliation.

More detailed information about our conflicts of interest can be found in Items 4, 5, 8, 10, 11, 12, and 14 of our Form ADV Part 2A disclosure brochure go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### ***How do your financial professionals make money?***

Rick Cabanes and Lu Flores are the principle owners of the firm and receive a base salary and proportional profits from the earnings of the firm. For more information about compensation arrangements for CleverAlpha professionals and related conflicts of interest are found in CleverAlpha's Form(s) ADV Part 2B. The Form ADV Part 2B is available through us by request at: 425 15th Street, C3321 Manhattan Beach, CA 90266 or by phone at (310) 293-7837 or by email at [support@cleveralpha.com](mailto:support@cleveralpha.com).

### ***Do you or your financial professionals have legal or disciplinary history?***

Yes. Please go to [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

#### **Ask your financial professional:**

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

### ***Additional Information***

#### **Ask your financial professional:**

*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?*

Additional information and a copy of this Form CRS can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching "CleverAlpha Asset Management" or by contacting us at 425 15th Street, C3321 Manhattan Beach, CA 90266 or by phone at (310) 293-7837 or by email at [support@cleveralpha.com](mailto:support@cleveralpha.com).