

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Federmann Financial Advisors Inc.	SEC File Number: 801-	Date: 3/23/2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Federmann Financial Advisors Inc.		IRS Empl. Ident. No.: 56-2548629
Item of Form (identify)	Answer	
1D	<p>Federmann Financial Advisors Inc. (the "Registrant") is an investment adviser providing financial planning, consulting, and investment management services to individuals, trusts, estates, charitable organizations, corporations and business entities. The Registrant, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon assets under management. Prior to engaging the Registrant to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with the Registrant setting forth the terms and conditions under which the Registrant shall render its services (collectively the "Agreement").</p> <p>The Registrant may provide its clients with a broad range of comprehensive financial planning and consulting services (which may include tax-related and other non-investment related matters). The Registrant will charge a fixed fee and/or hourly fee for these services. The Registrant's financial planning and consulting fees are negotiable, but generally range from \$2,500 to \$15,000 on a fixed fee basis and/or from \$175 to \$275 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. The Registrant may also charge all clients an initial consultation fee of \$500. If the client engages the Registrant for additional investment advisory services, the Registrant may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.</p> <p>Prior to engaging the Registrant to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement with the Registrant setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to the Registrant commencing services. Generally, the Registrant requires one-half of the financial planning / consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates the Registrant's financial planning and/or consulting services, the balance of the Registrant's unearned fees (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services the client shall be entitled to a full refund.</p> <p>In performing its services, the Registrant shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. The Registrant may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if the Registrant recommends its own services. The client is under no obligation to act upon any of the recommendations made by the Registrant under a financial planning / consulting engagement and/or engage the services of any such recommended professional, including the Registrant itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Registrant's recommendations. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing, evaluating, or revising the Registrant's previous recommendations and/or services.</p> <p>In the event the client determines to engage the Registrant to provide investment management services, which shall include management of the client's investments as well as financial planning and consulting services, the Registrant shall do so on a fee basis. If engaged, the Registrant shall</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

charge an annual fee based upon a percentage of the market value of the assets being managed by the Registrant. As discussed in response to Item 12B (below), the Registrant's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, the Registrant shall not receive any portion of these

commissions, fees, and costs. As discussed above, the Registrant may charge all clients an initial consultation fee of \$500. The Registrant's annual fee shall be prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. The annual fee shall vary (between 1.00% and 1.25%) depending upon the market value of the assets under management and the type of investment management services to be rendered, as follows:

<u>PORTFOLIO VALUE</u>	<u>ANNUAL FEE</u>
up to \$1,000,000	1.25%
\$1,000,001 - \$3,000,000	1.00%
above \$3,000,000	Negotiable

The Registrant does not impose an account minimum for starting or maintaining an account. However, as further discussed in response to Item 10 (below), the Registrant generally imposes a minimum annual fee for its wealth management services. The Registrant, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.).

The Registrant offers advice on each type of investment described in Part II of Form ADV (Item 3). However, the Registrant intends to primarily allocate its client's investment management assets, on a discretionary basis among mutual funds and individual debt securities in accordance with the investment objectives of the client.

As further discussed in response to Item 12B (below), the Registrant shall generally recommend that clients utilize the brokerage and clearing services of *Fidelity* Investments and its affiliates (collectively referred to as "*Fidelity*") for investment management accounts.

The Registrant may only implement its investment management recommendations after the client has arranged for and furnished the Registrant with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, any other broker-dealer recommended by the Registrant, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institution(s)").

Clients may incur certain charges imposed by the Financial Institution(s) and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Registrant's fee.

The Registrant's Agreement and/or the separate agreement with the Financial Institution(s) may authorize the Registrant through the Financial Institution(s) to debit the client's account for the amount of the Registrant's fee and to directly remit that management fee to the Registrant in accordance with applicable custody rules. The Financial Institution(s) recommended by the Registrant have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to the

	<p>Registrant.</p> <p>The Registrant also may render non-discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, the Registrant either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.</p> <p>The client may make additions to and withdrawals from the account at any time, subject to the Registrant's right to terminate an account. If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter. Clients may withdraw account assets on notice to the Registrant, subject to the usual and customary securities settlement procedures. The Registrant designs its portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives.</p> <p>For the initial quarter of investment management services, the first quarter's fees shall be calculated on a pro rata basis. The Agreement between the Registrant and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. The Registrant's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.</p> <p>Additions may be in cash or securities provided that the Registrant reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Registrant may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.</p> <p>The Registrant's clients are advised to promptly notify the Registrant if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon the Registrant's management services.</p> <p>Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).</p> <p>If requested by the client, the Registrant may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney or insurance agent, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including representatives of the Registrant in their separate registered/licensed capacities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client</p>
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	<p>retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant.</p> <p><u>Please Note: Investment Risk.</u> Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).</p> <p><u>Non-Investment Consulting/Implementation Services.</u> If requested by the client, the Registrant may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney, accountant or insurance agent, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant.</p> <p>Neither the Registrant nor the client may assign the Agreement without the consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.</p> <p>A copy of the Registrant's privacy policy notice and a written disclosure statement that meets the requirements of Rule 204-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act"), shall be provided to each client prior to or contemporaneously with the execution of the Agreement. Any client who has not received a copy of the Registrant's written disclosure statement at least forty-eight (48) hours prior to executing the Agreement shall have five (5) business days subsequent to executing the agreement to terminate the Registrant's services without penalty.</p>
Item 3L	The Registrant may also provide advice about any type of investment held in a client's portfolio at the beginning of the advisory relationship.
Item 5	All individuals that render investment advisory services on behalf of the Registrant must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.
Item 6	<p>FRANKLIN H. FEDERMANN, MST, CPA/PFS Born 1939 <i>Post-Secondary Education:</i> Long Island University — 1971, MS, Taxation Brooklyn College — 1966, BS, Economics (Accounting Specialization) <i>Recent Business Background:</i> Federmann Financial Advisors Inc, President, 01/2006 — Present F.H. Federmann, MST, CPA/PFS, Owner, 1972 — Present</p> <p>LISA A. KELLY, CFP®, CPA/PFS Born 1964 <i>Post-Secondary Education:</i> College of William and Mary — 1986, BBA, Accounting <i>Recent Business Background:</i> Federmann Financial Advisors Inc, Vice President, 01/2006 — Present F.H. Federmann, MST, CPA/PFS, Consultant, 01/2005 — Present</p>

	Brookhaven National Laboratory, Internal Auditor and IS Manager , 1994 — 2000
Item 7A and 7B	As further discussed above in response to Item ID (above), the Registrant may provide its clients with a broad range of comprehensive financial planning and/or consulting services (which may include non-investment related matters). The Registrant may charge a separate fee for these services which shall be agreed upon prior to rendering the services.
Item 8C (7)	<p><u>Certified Public Accountant:</u> Registrant's Principal, F.H. Federmann, is a certified public accountant ("CPA"). To the extent that a client requires accounting advice and/or tax preparation services, the Registrant, if requested, may recommend the services of Mr. Federmann, any such services shall be rendered independent of the Registrant pursuant to a separate agreement between the client and Mr. Federmann. The Registrant shall not receive any of the fees charged by Mr. Federmann, referral or otherwise.</p> <p><u>Please Note:</u> The recommendation that a client engage the Registrant's Principal in his individual capacity as a CPA presents a conflict of interest. No client is under any obligation to engage Mr. Federmann as a CPA. <u>The Registrant's Chief Compliance Officer, Lisa A. Kelly, remains available to address any questions that a client or prospective may have regarding the above conflict of interest.</u></p>
Item 9E	<p>The Registrant has implemented an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics which serves to establish a standard of business conduct for all of Registrant's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.</p> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.</p>
Item 10	<p>As further discussed in response to Item ID (above), the Registrant provides investment management services, and financial planning and consulting services. As a condition for starting and maintaining an investment management relationship, the Registrant shall generally impose a minimum annual fee of \$2,500. This minimum fee may have the effect of making the Registrant's service impractical for clients, particularly those with portfolios less than \$200,000 under the Registrant's management. The Registrant, in its sole discretion, may waive its minimum annual fee based upon certain criteria</p> <p>including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and <i>pro bono</i> activities.</p>
Item 12A and 12B	<p>Please see the previous responses set forth on this Schedule F to Item 1D. In addition, to the extent applicable to the transactions to be effected, Registrant's general policies relative to the execution of client securities brokerage transactions are as follows:</p> <p><u>Execution of Brokerage Transactions (when applicable).</u> If requested, Registrant will arrange for the execution of securities brokerage transactions for the account through broker-dealers that Registrant reasonably believes will provide "best execution." In seeking "best execution," the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> <p>Over-the-Counter (OTC) securities transactions for Registrant's clients are generally effected on an</p>

	<p>agency basis, which involve the services of two (2) separate broker-dealers: (1) a “dealer” or “principal” acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity for the client’s account. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client will also incur the transaction fee imposed by the executing broker-dealer. Registrant does not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.</p> <p>Registrant may (but is not obligated to) combine or “batch” client orders to obtain “best execution,” to negotiate more favorable commission rates or to allocate equitably among Registrant’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant’s clients in proportion to the purchase and sale orders placed for each client account on any given day.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to Registrant’s right to decline and/or terminate the engagement) to execute some or all transactions for the client’s account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to “batch” the client’s transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.</p> <p>In the event that the client directs Registrant to effect securities transactions for the client’s accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.</p> <p><u>Proxy Voting Policy.</u> The Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client’s investment assets.</p> <p><u>See additional disclosure at Item 13A relative to <i>Fidelity</i>.</u></p>
Item 13A	<p>Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from <i>Fidelity</i>, without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.</p> <p>As indicated above, certain of the support services and/or products that <i>may</i> be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.</p> <p>Registrant’s clients do not pay more for investment transactions effected and/or assets maintained at <i>Fidelity</i> as result of this arrangement. There is no corresponding commitment made by the Registrant to <i>Fidelity</i> or any other any entity to invest any specific amount or percentage of client</p>

	assets in any specific mutual funds, securities or other investment products as result of the above arrangement.
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	<u>The Registrant's Chief Compliance Officer, Lisa A. Kelly, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.</u>
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