

Applicant: Katz Family Financial Advisors, LLC

SEC File Number:
801-63959

Date:
07/13/2010

(for sponsors of wrap fee programs)

Name of wrap fee program or programs described in attached brochure:

Katz Family Financial Advisors Program

1. **Applicability of Schedule.** This Schedule must be completed by applicants that are compensated under a wrap fee program for sponsoring, organizing, or administering the program, or for selecting, or providing advice to clients regarding the selection of, other investment advisers in the program ("sponsors"). A wrap fee program is any program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions.
2. **Use of Schedule.** This Schedule sets forth the information the sponsor must include in the wrap fee brochure it is required to deliver or offer to deliver to clients and prospective clients of its wrap fee programs under Rule 204-3 under the federal Advisers Act and similar rules of jurisdictions. The wrap fee brochure prepared in response to this Schedule must be filed with the Commission and the jurisdictions as part of Form ADV by completing the identifying information on this Schedule and attaching the brochure. Brochures should be prepared separately, not on copies of this Schedule. Any wrap fee brochure filed with the Commission as part of an amendment to Form ADV shall contain in the upper right corner of the cover page the sponsors' registration number (801-).
3. **General Contents of Brochure.** Unlike Parts I and II of this form, this Schedule is not organized in "check-the-box" format. These instructions, including the requests for information in Item 7 below, should not be repeated in the brochure. Rather, this Schedule describes minimum disclosures that must be made in the brochure to satisfy the sponsor's duty to disclose all material facts about the sponsor and its wrap fee programs. **Nothing in this Schedule relieves the sponsor from any obligation under any provision of the federal Advisers Act or rules thereunder, or other federal or state law to disclose information to its advisory clients or prospective advisory clients not specifically required by this Schedule.**
4. **Multiple Sponsors.** If two or more persons fall within the definition of "sponsor" in Item 1 above for a single wrap fee program, only one such sponsor need complete the Schedule. The sponsors may choose among themselves the sponsor that will complete the Schedule.
5. **Omission of Inapplicable Information.** Any information not specifically required by this Schedule that is included in the brochure should be applicable to clients and prospective clients of the sponsor's wrap fee programs. If the sponsor is required to complete this Schedule with respect to more than one wrap fee program, the sponsor may omit from the brochure furnished to clients and prospective clients of any wrap fee program or programs information required by this Schedule that is not applicable to clients or prospective clients of that wrap fee program or programs. If a sponsor of more than one wrap fee program prepares separate wrap fee brochures for clients of different programs, each brochure must be filed with the Commission and the jurisdictions attached to a separate copy of this Schedule. Each such brochure must state that the sponsor sponsors other wrap fee programs and state how brochures for those programs may be obtained.
6. **Updating.** Sponsors are required to file an amendment to the brochure promptly after any information in the brochure becomes materially inaccurate. Amendments may be made by use of a "sticker", i.e., a supplement affixed to the brochure that indicates what information is being added or updated and states the new or revised information, as long as the resulting brochure is readable. Stickers should be dated and should be incorporated into the text of the brochure when the brochure itself is revised.
7. **Contents of Brochure.** Include in the brochure prepared in response to this Schedule:
 - (a) on the cover page, the sponsor's name, address, telephone number, and the following legend in bold type or some other prominent fashion:
This brochure provides clients with information about [name of sponsor] and the [name of program or programs] that should be considered before becoming a client of the [name of program or programs]. This information has not been approved or verified by any governmental authority.
 - (b) a table of contents reflecting the subject headings in the sponsor's brochure.
 - (c) the amount of the wrap fee charged for each program or, if fees vary according to a schedule established by the sponsor, a table setting forth the fee schedule, whether such fees are negotiable, the portion of the total fee (or the range of such amounts) paid to persons providing advice to clients regarding the purchase or sale of specific securities under the program ("portfolio managers"), and the services provided under each program (including the types of portfolio management services);

**Schedule H of
FORM ADV
Page 2**

Applicant: Katz Family Financial Advisors, LLC

SEC File Number:
801-63959

Date:
07/13/2010

- (d) a statement that the program may cost the client more or less than purchasing such services separately and a statement of the factors that bear upon the relative cost of the program (e.g., the cost of the services if provided separately and the trading activity in the client's account);
- (e) if applicable, a statement that the person recommending the program to the client receives compensation as a result of the client's participation in the program, that the amount of this compensation may be more than what the person would receive if the client participated in other programs of the sponsor or paid separately for investment advice, brokerage, and other services, and that the person may therefore have a financial incentive to recommend the wrap fee program over other programs or services;
- (f) a description of the nature of any fees that the client may pay in addition to the wrap fee and the circumstances under which these fees may be paid (including, if applicable, mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers from whom securities were obtained by the wrap fee broker);
- (g) how the program's portfolio managers are selected and reviewed, the basis upon which portfolio managers are recommended or chosen for particular clients, and the circumstances under which the sponsor will replace or recommend the replacement of the portfolio manager;
- (h) (1) if applicable, a statement to the effect that portfolio manager performance information is not reviewed by the sponsor or a third party and/or that performance information is not calculated on a uniform and consistent basis,

(2) if performance information is reviewed to determine its accuracy, the name of the party who reviews the information and a brief description of the nature of the review,

(3) a reference to any standards (i.e., industry standards or standards used solely by the sponsor) under which performance information may be calculated;
- (i) a description of the information about the client that is communicated by the sponsor to the client's portfolio manager, and how often or under what circumstances the sponsor provides updated information about the client to the portfolio manager;
- (j) any restrictions on the ability of clients to contact and consult with portfolio managers;
- (k) in narrative text, the information required by Items 7 and 8 of Part II of this form and, as applicable to clients of the wrap fee program, the information required by Items 2, 5, 6, 9A and C, 10, 11, 13 and 14 of Part II;
- (l) if any practice or relationship disclosed in response to Item 7, 8, 9A, 9C and 13 of Part II presents a conflict between the interests of the sponsor and those of its clients, explain the nature of any such conflict of interest; and
- (m) if the sponsor or its divisions or employees covered under the same investment adviser registration as the sponsor act as portfolio managers for a wrap fee program described in the brochure, a brief, general description of the investments and investment strategies utilized by those portfolio managers.

8. Organization and Cross References. Except for the cover page requirements in Item 7(a) above, information contained in the brochure need not follow the order of the items listed in Item 7. However, the brochure should not be organized in such a manner that important information called by the form is obscured.

Set forth below the page(s) of the brochure on which the various disclosures required by Item 7 are provided.

Page(s)		Page(s)		Page(s)	
Item	7(a) cover	Item	7(f)	Item	7(j)
	#7(b)		#7(g)		#7(k)
	#7(c)		#7(h)		#7(l)
	#7(d)		#7(i)		#7(m)
	#7(e)				

TABLE OF CONTENTS

About The Program	1
OVERVIEW	1
JOINING THE PROGRAM	1
CLEARING OF SECURITIES TRANSACTIONS; CUSTODY AND ACCOUNT STATEMENTS	1
INVESTMENT ADVISORY PROCESS	1
FEES FOR THE PROGRAM	2
FEE COMPARISON	2
OTHER CHARGES	2
About The Portfolio Manager	3
MANAGEMENT OF YOUR PORTFOLIO	3
REPORTS FROM KATZ FAMILY FINANCIAL ADVISORS	4
About the Sponsor	4
MANAGEMENT AND EDUCATION STANDARDS	4
OTHER SERVICES OFFERED	5
VOTING CLIENT PROXIES	5
POLICY AND PROCEDURES REGARDING PRIVACY OF CLIENT INFORMATION	5
ADDITIONAL POLICIES AND PROCEDURES	6
CONFLICTS OF INTEREST	6

This brochure provides clients with information about Katz Family Financial Advisors, LLC and Katz Family Financial Advisors Program that should be considered before becoming a client of Katz Family Financial Advisors, LLC. This information has not been approved or verified by any governmental authority.

ABOUT THE PROGRAM

OVERVIEW

The Katz Family Financial Advisors Program (the “Program”) is a fee-only investment advisory program (the “Program”) sponsored by Katz Family Financial Advisors, LLC. The Program provides individuals, pension and profit sharing plans, trusts, estates, charitable organizations, and business entities the ability to trade in individual debt and equity securities, mutual funds, index funds, exchange-traded funds, options, and other eligible securities (collectively “Eligible Securities”) without incurring separate brokerage commissions or transaction charges.

JOINING THE PROGRAM

To join the Program a person must:

- (1) Complete an investor profile that describes the Client’s financial needs, investment objectives, time horizon, and risk tolerance, as well as any other factors relevant to the Client’s specific financial situation (the “Investor Profile”) and any other supporting documentation required for the Program;
- (2) Complete the investment advisory wrap fee agreement (the “Program Agreement”) with Katz Family Financial Advisors and become a client (“Client”) of the Program;
- (3) Complete a new account agreement with Fidelity Investments and its affiliates (collectively referred to as “Fidelity”) or another broker dealer approved by Katz Family Financial Advisors for participation in the Program (“Broker-Dealer”); and
- (4) Open a securities brokerage account with the Broker-Dealer (“Account”) and deposit those Client assets designated for participation in the Program (“Program Assets”) into the Account.

CLEARING OF SECURITIES TRANSACTIONS; CUSTODY AND ACCOUNT STATEMENTS

All transactions in the Account are cleared through the Broker-Dealer. Either the Broker-Dealer or a custodian meeting the requirements of a “qualified custodian” as defined under Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, will maintain custody of the Participant’s Program Assets. Program Participant’s will receive confirmations of transactions executed for their Account from the Broker-Dealer as well as periodic account statements as agreed with the Broker-Dealer and/or Custodian.

INVESTMENT ADVISORY PROCESS

After an analysis of the information provided by the Client in the Investor Profile, Katz Family Financial Advisors shall assist the Client in developing an appropriate investment strategy for the assets in their Account (the “Investment Strategy”). Thereafter, Clients will be contacted periodically and requested to provide Katz Family Financial Advisors with information regarding changes to their financial situation or investment objectives impacting their Investor Profile. Katz Family Financial Advisors shall periodically reassess the current Investment Strategy based on any other information provided by the Client regarding their Investor Profile.

All Clients are encouraged to contact or meet, at least annually, with Katz Family Financial Advisors to comprehensively review their Account performance, update their Investor Profile, and determine whether changes should be made to their Investment Strategy. There are no restrictions on Clients contacting or consulting with Katz Family Financial Advisors regarding the Program or their Account.

FEES FOR THE PROGRAM: Clients in the Program pay a single annualized fee for participation in the Program (the "Program Fee") of 1.00% of the market value of the assets being managed under the Program. The Program Fee is payable quarterly, in arrears, based upon the market value of the assets in the Account as valued by the Custodian on the first day of the previous quarter. The Program Fee is not charged until the first full quarter in which the Client participates in the Program, unless the client terminates during the first partial quarter in which case the Program Fee will be charged pro rata. Katz Family Financial Advisors, in its sole discretion, may charge a lesser Program 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, pro bono purposes, etc.).

Additional deposits and withdrawals of funds and/or securities to the Program may be made to the Account at any time. If the Account is terminated, the Program Fee will be assessed pro rata. Participants may make additions to and withdrawals from their Account at any time, subject to Katz Family Financial Advisors right to terminate an Account. Participants may withdraw Account assets on notice to Katz Family Financial Advisors, subject to the usual and customary securities settlement procedures. However, Katz Family Financial Advisors designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a Client's investment objectives. Katz Family Financial Advisors' Program Agreement and the Client's separate agreement with the Custodian may authorize Katz Family Financial Advisors through the Custodian to debit the Client's Account for the amount of Katz Family Financial Advisors' fee and to directly remit that fee to Katz Family Financial Advisors in accordance with applicable custody rules. The Custodian(s) recommended by Katz Family Financial Advisors 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 Katz Family Financial Advisors.

FEE COMPARISON: Under the Program, Clients receive both investment management services and the execution of transactions in Eligible Securities for a single, combined annualized fee, the Program Fee. Participation in the Program may cost the Client more or less than purchasing such services separately. The number of transactions made in the Client's Account, as well as the commissions charged for each transaction, will determine the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The Program Fee may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

OTHER CHARGES: Program participants may incur certain charges imposed by third parties in addition to the Program Fee. Such charges include but are not limited to charges imposed directly by a mutual fund purchased in the Client's Account which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), certain deferred sales charges on previously-purchased mutual funds, transfer taxes, and other fees and taxes on brokerage accounts and securities transactions.

ABOUT THE PORTFOLIO MANAGER: MANAGEMENT OF YOUR PORTFOLIO

All Clients in the Program shall grant Katz Family Financial Advisors discretionary and/or non-discretionary authority to buy, sell, and otherwise trade Eligible Securities for their Account and to liquidate previously-purchased securities that the Client has transferred to their Account. Assets in the Client's Account designated for a particular Investment Strategy (each a "Portfolio") shall be managed by one or more of Katz Family Financial Advisors' Principals in accordance with the Client's Investment Strategy.

Katz Family Financial Advisors generally manages Client portfolios by allocating portfolio assets by using one or more of its proprietary investment strategies ("collectively referred to as investment strategy"). In so doing, Katz Family Financial Advisors shall buy, sell, exchange and/or transfer securities based upon the investment strategy.

Katz Family Financial Advisors' investment strategy has been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly-managed accounts, such as the investment strategy, with a safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following features have been specifically included in Katz Family Financial Advisors' investment strategy:

1. Initial Interview – an initial interview is conducted with each client to determine the Client's financial circumstances, goals, acceptable levels of risk, any reasonable restrictions on the management of their account, and other relevant circumstances;
2. Individual Treatment – the Client's account is managed on the basis of the client's financial circumstances and investment objectives;
3. Consultation – an Advisory Affiliate of the Registrant knowledgeable about the Client's account shall be reasonably available to consult with the client relative to the status and management of their account;
4. Notice of Transactions – the Client shall receive notice of all transactions in their account as if they had maintained a similar account outside of the investment strategy;
5. Quarterly Statement – the Client shall be provided with a statement at least quarterly, containing a description of all activity in the their account;
6. Ability to Impose Restrictions – the Client shall have the ability to impose reasonable restrictions on the management of their account, including the ability to instruct Katz Family Financial Advisors not to purchase certain securities or types of securities;
7. No Pooling – the Client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the Client's account;
8. Separate Account – a separate account is maintained for the Client with the custodian; and
9. Ownership - each Client retains indicia of ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

In addition to the foregoing, Clients may, in writing, place reasonable limitations upon Katz Family Financial Advisors' discretionary authority. The investment strategy may involve an above-average portfolio turnover that could negatively impact upon the net after-tax gain experienced by an individual Client. Certain investment opportunities that become available to Katz Family Financial Advisors' Clients may be limited. In order to meet its fiduciary duties to all of its Clients, the Registrant will endeavor to allocate investment opportunities among its Clients on a fair and equitable basis.

REPORTS FROM KATZ FAMILY FINANCIAL ADVISORS:

Clients in the Program will receive a report from Katz Family Financial Advisors that may include such relevant Portfolio and/or market-related information such as an inventory of the investments in the Client's Portfolios and Portfolio performance on a monthly basis.

ABOUT THE SPONSOR: MANAGEMENT AND EDUCATION STANDARDS

Katz Family Financial Advisors' executive management and all individuals rendering investment advisory services on behalf of Katz Family Financial Advisors 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. The following individuals serve as Katz Family Financial Advisors' principal executive officers and determine the general investment advice given to Program participants:

LAWRENCE W. KATZ

Born 1938

Post-Secondary Education:

Southern Illinois University – 1979, MBA, Finance

Polytechnic Institute of Brooklyn – 1958, Bachelor of Electrical Engineering, Computers and Automation

Recent Business Background:

Katz Family Financial Advisors, LLC, Managing Member, 03/2005 – Present

UBS Financial Services Inc., Financial Advisor, 07/1991 – 03/2005

MARK E. KATZ

Born 1964

Post-Secondary Education: Ithaca College – 1986, BS, Psychology

Recent Business Background:

Katz Family Financial Advisors, LLC, Managing Member, 03/2005 – Present UBS Financial Services Inc., Financial Advisor, 02/2004 – 03/2005 GE Financial Advisors, Regional Sales Manager, 01/2003 – 02/2004 Capital Brokerage Corporation / Terra Securities Corporation, Registered Representative, 01/2003 – 02/2004

Investors Capital Corporation, Registered Representative, 10/2000 – 01/2003

Hartford Life, Insurance Representative, 06/2000 – 09/2000

First Union Brokerage Services, Inc., Registered Representative, 04/1999 – 05/2000

UBS Financial Services Inc., Financial Advisor, 07/1992 – 05/1999

SUSAN KATZ

Born 1962

Post-Secondary Education:

University of Wisconsin – 1989, MBA

University of Maryland – 1984, BS, Finance

Recent Business Background:

Katz Family Financial Advisors, LLC, Managing Member, 03/2005 – Present

UBS Financial Services Inc., Financial Advisor, 02/2004 – 03/2005

On Demand Executive Talent, President / Consultant, 04/1998 – 01/2004

Borden Chemical, Global Finance Director, 09/2002 – 06/2003

ProjectGuides, Chief Financial Officer, 12/2000 – 07/2001

OTHER SERVICES OFFERED:

The firm may provide its clients with a broad range of financial planning and/or consulting services (which may include non-investment related matters such as estate planning). Such services are generally included in the firm's investment management fees.

VOTING CLIENT PROXIES:

Katz Family Financial Advisors does not vote proxies on behalf of its Clients.

POLICY AND PROCEDURES REGARDING PRIVACY OF CLIENT INFORMATION:

Katz Family Financial Advisors collects certain non-public personal identifying information about its Clients (such as their name, address, social security number, etc.) from information provided on investor questionnaires, applications and other forms as well as communications (electronic, telephone, written or in person) with them or their authorized representatives (such as their attorney, accountant, etc.). Katz Family Financial Advisors also collects information about Client's brokerage accounts and transactions (such as purchases, sales, account balances, inquiries, etc.).

Katz Family Financial Advisors does not disclose the non-public personal information collected about its Clients to anyone except in furtherance of its business relationship with them and then only to those persons necessary to effect the transactions and provide the services that are authorized by the Client (i.e., the Broker-Dealer, Custodian, Independent Managers, etc.) or as otherwise provided by law.

As also permitted by law, Katz Family Financial Advisors may disclose certain information about its Clients to third parties that perform administrative or marketing services, or participate in joint marketing programs with Katz Family Financial Advisors. These third parties are prohibited to use or share the information for any other purpose. If Clients decide at some point to either terminate our services or become an inactive Client, Katz Family Financial Advisors will continue to adhere to our privacy policy, as may be amended from time-to-time.

Katz Family Financial Advisors also restricts access to its Clients' non-public personal information to those employees who need that information to service the Client's Account. Katz Family Financial Advisors also maintains physical, electronic and procedural safeguards that comply with applicable federal or state standards to protect the nonpublic personal information of its Clients.

ADDITIONAL POLICIES AND PROCEDURES:

Katz Family Financial Advisors maintains and enforces written policies reasonably designed to: (i) prevent the misuse of material non-public information by Katz Family Financial Advisors or any person associated with Katz Family Financial Advisors and (ii) monitor the personal securities transactions of its associated persons to prevent any potential material conflicts of interest between Katz Family Financial Advisors, any person associated with Katz Family Financial Advisors, and any of its Clients, including Program Clients.

CONFLICTS OF INTEREST:

In exchange for utilizing a particular Broker-Dealer to execute securities transactions for Clients in the Program, Katz Family Financial Advisors may receive research and computer software and related systems support from the Broker-Dealer without cost.

Such software and systems support may assist Katz Family Financial Advisors in its investment decision-making process and allow Katz Family Financial Advisors to better monitor the Client's Account.

Such research, computer software, and related systems support may or may not be used in conjunction with managing Portfolios for a particular Client's Account; therefore, fees paid by a particular Program Client may be used for the benefit of other Clients in the Program.

KATZ FAMILY FINANCIAL ADVISORS PROGRAM

Sponsored

by

KATZ FAMILY FINANCIAL ADVISORS, LLC

1605 NW Sammamish Road, Suite 250
Issaquah, WA 98027
(425) 657-2205

3307 Duke Street
Alexandria, VA 22314
(301) 961-6030

This brochure provides clients with information about Katz Family Financial Advisors, LLC and Katz Family Financial Advisors Program that should be considered before becoming a client of Katz Family Financial Advisors, LLC. This information has not been approved or verified by any governmental authority.