
Item 1 – Cover Page

RAV Financial Services, LLC
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March 23, 2012

This Brochure provides information about the qualifications and business practices of RAV Financial Services, LLC (“RAV”). If you have any questions about the contents of this Brochure, please contact us at 216-831-4900 and/or rav@ravfinancial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

RAV Financial Services, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about RAV Financial Services, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since our last annual update on March 18, 2011, the following changes have transpired:

RAV Financial Services, LLC entered into a relationship with Fidelity Institutional Wealth Services, a division of Fidelity Investments, in the latter part of 2011.

Effective January 1, 2012 RAV Financial Services, LLC adopted a flat fee contract for all clients and the Capital Asset Builder (CAB) contract was eliminated. New Financial Services Agreement (FSA) contracts were issued to all clients who were impacted by this change.

Effective March 9, 2012, Nancy Gallagher Cook was no longer employed by RAV Financial Services, LLC. Responsibility for her clients was assumed by Portfolio Manager David M. Taucher. There are no changes or updates for our remaining professional staff.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting our Chief Compliance Officer, Gillian Graham at 216-831-4900 or ggraham@ravfinancial.com. Our Brochure is also available on our web site www.ravfinancial.com, also free of charge.

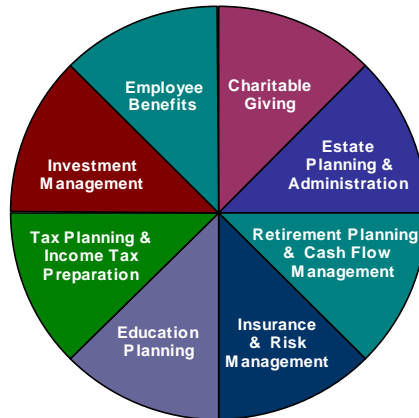
Additional information about RAV Financial Services, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with "RAV" who are registered, or are required to be registered, as investment adviser representatives of "RAV".

Item 3 -Table of Contents

| | |
|--|-----|
| Item 1 – Cover Page..... | i |
| Item 2 – Material Changes | ii |
| Item 3 -Table of Contents..... | iii |
| Item 4 – Advisory Business | 1 |
| Item 5 – Fees and Compensation | 4 |
| Item 6 – Performance-Based Fees and Side-By-Side Management..... | 5 |
| Item 7 – Types of Clients | 5 |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss | 5 |
| Item 9 – Disciplinary Information | 7 |
| Item 10 – Other Financial Industry Activities and Affiliations..... | 6 |
| Item 11 – Code of Ethics..... | 6 |
| Item 12 – Brokerage Practices | 8 |
| Item 13 – Review of Accounts | 9 |
| Item 14 – Client Referrals and Other Compensation | 9 |
| Item 15 – Custody | 9 |
| Item 16 – Investment Discretion | 10 |
| Item 17 – Voting Client Securities | 10 |
| Item 18 – Financial Information..... | 10 |
| Brochure Supplement(s) | |

Item 4 – Advisory Business

RAV Financial Services, LLC “RAV” is a wealth management firm that has been providing financial and estate planning advice as well as professional asset management services to successful individuals and families since 1982. The principal owner of “RAV” is RAV Holdings, LLC whose owners are Robert A. Valente and David M. Taucher.



ADVISORY SERVICES AND FEES - “RAV” offers a wide variety of services. As a potential client of “RAV”, you may tailor the scopes of service in your Financial Services Agreement (FSA). Individual contracts are provided, detailing the specific parameters of each agreement and are given to a client prior to a client’s engagement of “RAV” to provide such a service. The fee amount is based upon the scope and complexity of services identified with the client.

Financial Services Agreement (FSA) – The FSA is an ongoing agreement that allows “RAV” to assist its clients in assessing and implementing their financial goals. “RAV” will consult with the Client and may consult with the Client’s legal, accounting and other advisors and will make, monitor, and update recommendations for the client based upon their respective specific investment and financial goals. If the scope of services includes estate planning, the advice given should not be interpreted as legal advice. Any observations regarding estate planning are for the Client’s consideration to assist in discussions with Client’s attorney. The scope of services may include the following:

- Retirement Planning
- Discretionary Investment Management

- Investment Analysis & Recommendation
- Income Tax Planning
- Income Tax Preparation
- Estate Planning
- Cash Flow Planning
- Cash Flow Processing
- Insurance & Risk Management
- Philanthropic Planning
- Education Planning
- Major Purchase Analysis
- Employer Benefits Review

Consulting Agreement - There are situations in which an FSA is not appropriate. In this case, consultation services are arranged on a project basis depending on the complexity of the situation and the level of expertise required. Generally, “RAV” charges a fixed rate for the project.

Clients with Investment Management as a scope of service are provided with active investment management for individuals, pension plan participants and trusts. The investment management program utilizes tactical asset allocation. It is this aspect which allows “RAV” to minimize risk by taking an active approach to allocating and reallocating assets in portfolios over time. This active approach in asset allocation is our investment philosophy and the foundation of long-term investment performance. As a client of “RAV”, the client’s account is regularly monitored, and easy-to-read reports are sent informing the client of their account’s performance. The client receives the following personal reports:

- **Confirmations** - Whenever there has been a change in the client’s portfolio or when a transaction has occurred, the client receives a prompt confirmation from the custodian.
- **Statements** are provided monthly (or quarterly) by the custodian, and contain:
 - Current account value
 - Change in value from previous statement
 - Portfolio position and value
 - All account activity

- **RAV Quarterly Reports**

- **Portfolio Asset Allocation** - This report includes the acquisition date, quantity, current value, and investment return of each holding.
- **Portfolio Performance Review** - This report informs the client of the progress of the entire portfolio.
- **Combined Portfolio Value vs. Cumulative Net Investment**
- **Fee Invoice**
- **Year-end Realized Gain Loss Reports for taxable accounts**

“RAV” managed accounts are discretionary accounts held in the name of the client. “RAV” uses various custodians for client accounts. Most accounts are held at either Schwab Institutional a division of Charles Schwab & Co., Inc. or Fidelity Institutional Wealth Services a division of Fidelity Investments. Although specific custodians are suggested, the actual arrangement is not chosen on a discretionary basis. Asset allocation includes no-load mutual funds, individual stocks, exchange traded funds, and other investments. Custodians may charge a transaction fee on trades involving some of the recommended investments. “RAV” has authorization to execute buy and sell transactions on the securities held in the accounts. Consideration is given regarding tax consequences prior to exchange, redemptions, or transfers within the portfolio. “RAV” makes no guarantees or warrants that assets in the account will increase in value, retain their value, or otherwise achieve any specific performance level. “RAV” may share management fees with other financial professionals in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940. *(Please refer to Item 5 for Fees and Compensation details and Item 14 for additional information).*

ASSETS UNDER MANAGEMENT

As of December 31, 2011 “RAV” had the following assets under management:

Discretionary – \$310.7 million

Non-Discretionary - \$5.1 million

TOTAL \$315.8 million

Item 5 – Fees and Compensation

Fees are determined based upon a number of criteria including, scope of services and the client's complexity. Generally, the minimum FSA fee will be \$8,000 per year. Fees are payable quarterly and in advance. The client may terminate this agreement at any time in writing and the agreement shall terminate at the end of the quarter in which the request for termination of services has been received.

METHOD OF PAYMENT OF FEES

If agreed upon in advance and upon signed authorization from client, advisory fees due to "RAV" for accounts may be deducted from FSA accounts when due. Authorization for the automatic deduction of fees from accounts is contained in the respective services agreement. "RAV" will liquidate money market shares to pay the fees and, if insufficient money market shares or cash are available, other investments will be liquidated to pay the fees. The investment(s) to be liquidated will be selected by our portfolio department. As required by applicable regulations, the client will receive in advance a written notification of the fee amount to be paid.

The periodic custodial statements to the client will indicate all amounts disbursed from the account, including the amount of fees paid directly to "RAV" under these procedures. The client may terminate authorization for automatic fee deduction of advisory fees by notifying "RAV" in writing, then "RAV" will send the invoice to the client directly.

Fees are not refundable for any time during which services are rendered. Termination of all agreements (FSA, and Consultations) may occur at any time upon thirty (30) days' written notice. This notice is in the form of a registered letter sent by the client to "RAV". Consulting fees are project based and generally not refundable.

Services will be terminated on the last day of the quarter in which the letter is received by "RAV". Any investment service in progress at that time shall be completed, and no further services shall be instituted after the receipt of the letter.

"RAV" agrees that all financial information will remain confidential and will not be made available to unauthorized persons. No assignment of any contract shall be made by "RAV" without the written consent of the client.

"RAV" can also terminate the contract by notifying the client in writing of its intent to discontinue investment advice. The termination of the advice is effective at the end of the current quarter.

Item 6 – Performance-Based Fees and Side-By-Side Management

“RAV” does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

“RAV” provides portfolio management services to individuals, high net worth individuals, and corporate pension and profit-sharing plan participants. Generally, “RAV” requires a minimum of \$500,000 to establish a FSA agreement. “RAV” reserves the right to increase or decrease minimum account size and minimum contract fee requirements based on specific client circumstances.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

Our firm applies an active asset allocation approach to managing assets. An optimal asset mix is determined with respect to the unique financial objectives and risk tolerances of the client. The asset mix will vary over time based on historical performance and analysis of the existing positions. Contractual limitations and taxes are considered that impact the asset allocation decision. Investment strategies and recommendations may be based upon consideration of any of the following:

1. **Diversification** - for the purpose of balancing risk while maintaining the possibility of gain; or
2. **Risk Factors** - including the risk of capital loss (market risk) and the risk of loss of purchasing power (inflation risk), and the Client’s understanding of, and financial ability to bear, such risks; or
3. **Asset Balance** - taking into consideration short and long-term liquidity needs, blending of lesser and greater risk approaches, and combining income, growth, and safety concepts; or
4. **Discipline** - emphasizing commitment and follow through over a reasonable period of time in order to permit the investment plan or recommendation(s) to achieve the intended result; or
5. **Income Tax considerations**, but these should not replace economic benefits as the principal determinant of investment decisions.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of “RAV” or the integrity of “RAV’s” management. “RAV” has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

“RAV” is a wealth management firm that provides financial and estate planning advice in addition to asset management services. “RAV” has no other Financial Industry activities or affiliations.

Item 11 – Code of Ethics

“RAV” has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at “RAV” must acknowledge the terms of the Code of Ethics annually, or as amended.

“RAV” anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which “RAV” has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which “RAV”, its affiliates and/or clients, directly or indirectly, have a position of interest. “RAV’s” employees and persons associated with “RAV” are required to follow “RAV’s” Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of “RAV” and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for “RAV’s” clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of “RAV” will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt

transactions, based upon a determination that these would materially not interfere with the best interest of “RAV’s” clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between “RAV” and its clients.

“RAV” or its advisory representatives may buy or sell for themselves investment products recommended to clients. Records will be maintained of all securities products bought or sold by “RAV”, its advisory representatives or related entities. Such records will be available for inspection by regulatory authorities upon request. Files of securities transactions affected for advisory representatives of “RAV” will be maintained for review should there be a conflict of interest. The Chief Compliance Officer (“CCO”) of “RAV” will review all securities transactions of related persons of “RAV” to ensure no conflicts exist with client executions.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with “RAV’s” obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. “RAV” will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a randomized basis and will exclude trades for affiliated accounts. Any exceptions will be explained on the order.

“RAV’s” clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the Chief Compliance Officer, Gillian Graham at 216-831-4900 or ggraham@ravfinancial.com.

It is “RAV’s” policy that the firm will not affect any principal or agency cross securities transactions for client accounts. “RAV” will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

Retained clients of “RAV” with Investment Management as a scope of service, are required to sign an agreement granting “RAV” discretionary trading authorization to buy, sell, or exchange investments. The agreement allows for the selection, allocation, and exchange of investments in the account without prior approval from the client.

Advisory representatives of “RAV” may recommend that clients in need of brokerage and custodial services utilize Schwab Institutional a division of Charles Schwab & Co., Inc. (Schwab), or Fidelity Institutional Wealth Services a division of Fidelity Investments (Fidelity), as the custodian for the management account programs of “RAV”. Fidelity and Schwab are independent and unaffiliated SEC-registered broker-dealers, Members SIPC. Fidelity and Schwab provide services to “RAV” as an independent adviser which includes: custody of securities, trade execution, clearance and settlement of transactions. Clients may pay a commission or transaction fee that is higher on one platform than those obtainable from other brokers in return for those products or services.

As a participant in the Fidelity, Schwab and other custodial programs, “RAV” may receive some economic benefit from the various relationships. There is no direct link between “RAV’s” participation in these programs and the investment advice given to our clients. “RAV” may receive soft dollar compensation in the form of proprietary research. Research services obtained through the use of soft dollars generally include statistical or quotation services, including on-line services. “RAV” does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research it receives will help “RAV” to fulfill its overall duty to its clients. “RAV” uses research services obtained in this manner for the benefit of all clients. The benefits received by “RAV” or its related persons do not depend on the amount of brokerage transactions directed to Schwab, Fidelity or others. “RAV”, through its participation in the Fidelity and Schwab programs, is also eligible to receive discounts on compliance, marketing, technology, and practice management products or services provided to “RAV” by third party vendors.

Although clients may elect for their accounts to be held at another custodian, “RAV” has chosen the custodians listed for their ability to deliver quality execution and record keeping services, among other items. Should “RAV” trade in securities in which we are uncomfortable with any custodian’s ability to deliver best execution, the Investment Manager will locate a more suitable broker and discuss the options available to the client prior to making the change. “RAV” has clients that are currently participants in their own qualified retirement plans with their employer. These clients are required to maintain assets with the employer’s custodian.

Item 13 – Review of Accounts

A broad overview of the accounts under management is done on a periodic basis to determine the appropriateness of the selection of the individual holdings that are in the clients' portfolio. In addition, individual investments that make up these accounts are reviewed on an on-going basis. The review of accounts examines performance, asset allocation, and condition of financial markets.

Accounts are reviewed on a monthly, quarterly, semi-annual or annual basis as determined by the complexity of the assets under management as well as the contract signed by the client.

Reviews are performed by Portfolio Managers David M. Taucher, CFP®, AIF®; and Thomas A. Moughan, M.B.A. The number of accounts reviewed by each member of the investment portfolio team varies depending on account size and complexity. Clients receive monthly and/or quarterly statements with information on current valuation, account activity, and income and expenses provided by the custodian of the assets. In addition, a client may receive from "RAV" the following reports on a periodic basis: Portfolio Asset Allocation, Portfolio Performance Review, Portfolio Value vs. Cumulative Net Investment, fee invoice, and at year end a Realized Gain Loss statement.

Item 14 – Client Referrals and Other Compensation

"RAV" may enter into written referral agreements to provide compensation to certain persons for client referrals. The referral arrangement is disclosed to the potential client, and the potential client is provided with a current copy of "RAV's" Form ADV Part 2A. Referral fees may be paid from a portion of the advisory fees paid by the client to "RAV". The referral fees are paid in cash and do not increase the fees paid by the client.

"RAV" may on occasion send a gift as a token of appreciation for a referral. The value of the gift is within regulation guidelines.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains their investment assets. "RAV" urges you to carefully review such statements and compare such official custodial records to the account statements that

we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

“RAV” usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, “RAV” observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, “RAV’s” authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to “RAV” in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, “RAV” does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive all proxy materials and voting information from their custodian. On occasion, “RAV” may provide advice to clients regarding the clients’ voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about “RAV’s” financial condition. “RAV” has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.