

Item 1 Cover Page

A.

Michael Paul Farah

Farah Advisory Services, LLC

Brochure Supplement
Dated 6/27/2012

Contact: Michael P. Farah, Chief Compliance Officer
369 San Miguel Drive, Suite 350
Newport Beach, California 92661

B.

This Brochure supplement provides information about Michael Paul Farah that supplements the Farah Advisory Services, LLC Brochure; you should have received a copy of that Brochure. Please contact Michael P. Farah, Chief Compliance Officer, if you did *not* receive Farah Advisory Services' Brochure or if you have any questions about the contents of this supplement.

Additional information about Michael Paul Farah is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Education Background and Business Experience

Michael Paul Farah was born in 1951. Mr. Farah graduated from California State University - Northridge in 1973, with a Bachelor of Arts degree in Speech Communications. Mr. Farah has been Managing Member and an investment adviser representative of Farah Advisory Services, LLC since January of 2005.

Item 3 Disciplinary Information

Michael Farah has been involved with several customer arbitration claims within the past ten years in which an award of more than \$2,500 was granted.

- On October 21, 2002, a client filed for arbitration against Michael Farah's former employer, Wedbush Morgan Securities, Inc. and Michael Farah, alleging that misrepresentations were made with respect to the recommendation of Mutual Fund

“B” Shares. On April 22, 2005, a panel awarded compensatory damages in the amount of \$49,040 to be paid to the client.

- On May 6, 2005, a client filed for arbitration against Michael Farah’s former employer, Wedbush Morgan Securities, Inc. and Michael Farah, alleging misrepresentation of collateralized mortgage options and the firm’s failure to supervise Mr. Farah. The matter was settled on October 11, 2006, with the settlement amount of \$240,358 paid solely by Wedbush Morgan Securities to the plaintiff.
- On May 23, 2005, an arbitration was filed alleging that Michael Farah misrepresented the nature, quality and safety of certain Collateralized Mortgage Options that went into default. The matter was settled effective December 8, 2005, with the settlement amount of \$31,000 paid solely by Wedbush Morgan Securities.
- On September 6, 2005, a complaint was filed against Michael Farah in the State of California Superior Court for the County of Los Angeles, alleging unsuitable sales of Collateralized Mortgage Options, negligence, breach of fiduciary duty, misrepresentation and unfair business practices. The matter was settled effective September 26, 2006 for the amount of \$66,400.
- On April 5, 2006, an arbitration was filed against Michael Farah’s former employer, Wedbush Morgan Securities, Inc. alleging that misrepresentations were made involving the sale of Collateralized Mortgage Obligations and that Wedbush Morgan Securities, Inc failed to supervise Mr. Farah, who was not named in the complaint. The matter settled effective October 11, 2006, with the settlement amount of \$701,742 paid solely by Wedbush Morgan Securities.

Item 4 Other Business Activities

- A. Mr. Farah is not actively engaged in any investment-related business or occupation.
- B. Mr. Farah is not actively engaged in any non-investment-related business or occupation for compensation.

Item 5 Additional Compensation

None.

Item 6 Supervision

Farah Financial provides investment advisory services in accordance with current state regulatory requirements. Farah Financial’s Chief Compliance Officer, Michael P. Farah, is primarily responsible for overseeing the activities of Farah Financial’s supervised persons. Mr. Farah also monitors accounts and conducts account reviews on at least an annual basis. Should a

client have any questions regarding Farah Financial's supervision or compliance practices, please contact Mr. Farah at (949) 719-2625.

Item 7 State-Registered Investment Advisors

A. Michael Farah has been involved with the following customer complaints with arbitrations or settlements for more than \$2,500 in the past ten years as follows. Except as provided below, there are no other events that transpired more than ten years ago that are so serious that they remain material to a client or prospective client's evaluation of Farah Financial.

- On October 21, 2002, a client filed for arbitration against Michael Farah's former employer, Wedbush Morgan Securities, Inc. and Michael Farah, alleging that misrepresentations were made with respect to the recommendation of Mutual Fund "B" Shares. On April 22, 2005, a panel awarded compensatory damages in the amount of \$49,040 to be paid to the client.
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B. Mr. Farah has never been the subject of a bankruptcy petition.