

## **Savia Financial Advisors, LLC**

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**March 24, 2012**

### **Form ADV Part 2A Brochure**

Savia Financial Advisors, LLC (hereinafter "Savia") is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the United States Securities and Exchange Commission ("SEC") or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Savia Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at +1 786 866-4949. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Savia Financial Advisors, LLC is available on the SEC's public disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes - Item 2**

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On March 24, 2012, we submitted our annual updating amendment filing and updated our assets under management under Item 4, on page 4 of this Brochure.

We review and update our brochure at least annually to make sure that it remains current.

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#### **Advisory Business - Item 4**

Savia is a registered investment advisor based in Miami, Florida. We are a limited liability company under the State of Florida. We have been providing investment advisory services since 2011. Reinaldo Vicentini is the Managing Member and sole owner of Savia.

The following paragraphs describe what we do and what we charge. Our investment advisory service is listed below and describes our trading strategies and risks associated with these strategies. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Such persons are properly registered as investment adviser representatives in all required jurisdictions. Currently, we offer asset management services with an emphasis on various equity option trading strategies.

#### ***Asset Management Services***

Our firm offers discretionary asset management services to our Clients. Discretionary asset management services means that once the Client's asset allocation has been agreed upon, the ongoing supervision and management of the account will be our responsibility. This authority is granted to us by the Client in the investment advisory agreement, the limited power of attorney agreement, or trading authorization form(s). This allows our firm to decide on the specific types and the quantities of securities, to be bought or sold for your account without obtaining your approval for each transaction.

Our firm specializes in various options trading strategies and the majority of our Client's accounts are invested in naked and covered options positions. We will also invest in exchange listed securities and/or bonds to create our covered options positions. Due to our specialized trading strategies, Client account will be bound by the limitations and rules placed by the Financial Industry Regulatory Authority ("FINRA") and the various Options Clearing Corporations ("OCC") applicable to our trading of various options contracts.

Clients should refer to the "Methods of Analysis, Investment Strategies and Risk of Loss - Item 8" section of this disclosure brochure and the risk disclosure document(s) provided by their broker dealer for information related to the risks associated with investing in options.

We will monitor your account's performance on a continuous basis, and will rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both.

We recommend that you review the statement(s) you receive from the qualified custodian. If you see something that is incorrect, please call our main office number, located on the cover page of this brochure.

#### ***Assets Under Management***

As of March 24, 2012, we manage \$25,507,645 in client assets on a discretionary basis.

### **Fees and Compensation - Item 5**

Savia charges a fee based on a percentage of assets under management and performance fees. At the sole discretion of Savia these fees are negotiable.

#### **Asset Management Services Fees**

If you decide to engage Savia for asset management services, we will do so on a fee basis. We will charge an annual fee based upon a percentage of the market value of the assets being managed and a performance based fee. Arrangements involving performance-based compensation satisfy the provisions of all relevant SEC regulations since all our Clients are "Qualified" or are foreign nationals residing outside of the United States.

Pursuant to Rule 205-3 under the Investment Advisers Act of 1940, Qualified Clients are generally defined as Clients with \$750,000 under management by the firm or \$1,500,000 in net worth.

Annual asset based fees are generally equal to 1.00% of account value, payable quarterly in arrears. Performance fees are equal to 30% of the annual gross profits for the account, payable annually in arrears, unless otherwise negotiated. The performance fee allocation is subject to a "high water mark" provision. No performance fee will be charged, except to the extent that the amount of the capital increase exceeds the sum of any cumulative loss in the account on a calendar year basis.

In the event the Client makes a complete withdrawal from the account, on a date other than year-end, fees will be due at the time of withdrawal. We invoice our Clients directly for all fees.

Annual gross profits are defined as the difference between the value of the account at the end of the year (December 31) and the value of the account at the beginning of that same year, adjusted for deposits and withdrawals made during the year.

For the initial period of investment management services, the first period's fees will be calculated on a pro-rata basis. The Advisory Agreement between Savia and the Client will continue in effect until either party terminates the Agreement in accordance with the terms of the Agreement. Savia's annual fee will be pro-rated through the date of termination and any remaining balance will be charged to the Client, as appropriate, in a timely manner.

#### **Additional Fees and Expenses**

The fees Savia charges may be negotiable based on the amount of assets under management, complexity of Client goals and objectives, and level of services rendered.

Our annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, custodial fees and other related costs and expenses, which may be incurred by you. However, we will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

All conflicts of interest between you and our firm, and the Associated Persons of our firm, are outlined in this disclosure brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated disclosure brochure.

### **Performance-Based Fees and Side-By-Side Management - Item 6**

We charge performance-based fees to “qualified Clients” who have a net worth greater than \$1,500,000, or those for whom we manage a minimum of \$750,000, from the beginning of our agreement for services. Performance-based fees are fees based on a share of capital gains or capital appreciation of a Client’s account. The amount of the performance-based fee we charge is described in the “Fees and Compensation - Item 5” section in this Brochure.

Performance based fee arrangements may create an incentive for Savia to recommend investments, which may be riskier or more speculative than those, which would be recommended under a different fee arrangement.

### **Types of Clients - Item 7**

We offer investment advisory services to individuals, corporations or other business entities.

Where performance based fees are assessed for advisory services, Clients will be foreign nationals residing outside of the United States or will have at least \$750,000 under management with Savia or certify to Savia that such Client has a net worth of at least \$1,500,000 at the time of entering into the performance based fee arrangement (Rule 205-3 under the Investment Advisers Act of 1940).

Since we focus mainly on various options trading strategies, our Client accounts may be subject to margin requirements for naked options writing. We generally require a minimum investment of \$50,000 to open and maintain an investment account.

### **Methods of Analysis, Investment Strategies and Risk of Loss - Item 8**

The following are different methods of analysis that we may use when providing you with investment advice:

- Charting – charting is a technique that attempts to forecast future market moves by studying historical data on charts.
- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security’s value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.
- Cyclical Analysis – cyclical analysis is a technique that looks at cycles, specifically analyzing the way prices follow certain patterns and trends.

We may use one or more of the following investment strategies when advising you on investments:

- Trading – investments sold within 30 days.

- **Option Trading** – An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date. An option, just like a stock or bond, is a security. It is also a binding contract with strictly defined terms and properties.
- **Covered Options** – covered option is a strategy in which an investor writes an option contract while at the same time owning an equivalent number of bonds or shares of the underlying stock.

The investment advice provided along with the strategies suggested by Savia will vary depending on each Client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments may not be insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments you intend to invest in.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Clients should refer to the risk disclosure booklet document(s) by their broker dealer for further information about the risks associated with investing in options.

#### **Disciplinary Information - Item 9**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of legal or disciplinary events by our firm, our principals or advisory representatives.

### **Other Financial Industry Activities and Affiliations - Item 10**

Our firm and our related persons conduct financial industry relationships on an independent and unaffiliated basis. This practice minimizes any material Client advisory business conflict of interest.

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11**

#### **Description of Our Code of Ethics**

Savia has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Savia's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Savia's Code of Ethics is available upon request.

#### **Personal Trading Practices**

Our principals and representatives may take positions in the same securities as Clients, which has the potential to create a conflict of interest. We generally create an aggregate or block order of securities or options for our Clients. If our principals and representatives participate in transactions in which our Clients also transact in, our principal and representative personal accounts are aggregated within our Client's block order. Therefore, our principals and representatives do not receive favorable treatment in the trade execution of Client accounts. In the event a block order is not available, our policy is to be "last in" and "last out" for the trading day when trading occurs in our Client accounts. We do not violate our fiduciary responsibilities to our Clients. Front running (trading shortly ahead of Clients) is strictly prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the Client(s) at the time of trading.

### **Brokerage Practices - Item 12**

We recommend and request our Clients to implement trades and maintain custody of assets through independent, qualified broker/dealers. Currently we recommend that our Clients establish brokerage accounts with Morgan Stanley, Barclays Wealth or Interactive Brokers to custody assets and to effect trades.

We are not affiliated with Morgan Stanley, Barclays Wealth or Interactive Brokers. Our Investment Adviser Representatives are not registered representatives of these broker/dealers and do not receive commissions or other compensation from recommending these services.



**Research and Other Soft Dollar Benefits**

Although not considered “soft dollar” compensation, we may receive benefits from Morgan Stanley, Barclays Wealth or Interactive Brokers for research services that include reports, software, and institutional trading support.

We understand our duty for best execution and consider all factors in making recommendations to you. The research services received from Morgan Stanley, Barclays Wealth or Interactive Brokers may be useful in servicing you. While we may not always obtain the lowest commission rate, we believe the rate is reasonable relative to the value of the brokerage and research services provided.

**Brokerage for Client Referrals**

We do not receive Client referrals from broker/dealers and custodians in which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker/dealer in exchange for Client referrals.

**Directed Brokerage**

You may direct brokerage services to a specified broker/dealer other than our recommended firm. In this case, you must negotiate the commission rate, as we will not. You understand you may not be able to negotiate the most competitive rate and may pay more than the rate available through our recommended broker/dealer. Additionally, you may not be able to participate in aggregated (“blocked”) trades, which may help reduce the cost of execution. We recommend broker/dealers with competitive commission rates.

**Trade Aggregation**

Generally, we execute Client trades as a block trade. Only accounts in the custody of one our recommended broker/dealers would have the opportunity to participate in aggregated securities transactions. No advisory account within the block trade is favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. The aggregation should, on average, reduce slightly the costs of execution. We do not aggregate orders where we believe the aggregation would cause an increased cost of execution. Our Associated Persons may participate in block trades and may also participate on a pro rata basis for partial fills, but only after the determination that you are treated fair and equitably.

**Review of Accounts - Item 13****Asset Management Account Reviews**

Due to the nature of our trading strategies, we actively monitor Client holdings and manage Client accounts on a continuous basis. Generally, Client account holdings are reviewed each day the market is open. We offer Clients, at a minimum, an annual in-person review of your portfolio.

More frequent reviews and meetings may be triggered by changes in variables such as market, political, or economic circumstances, or changes in your individual circumstances. All reviews will be conducted by the Associated Person in charge of the account. Reviews will be conducted under the supervision of Jhonny Bello, Chief Compliance Officer and Reinaldo Vicentini, Chief Executive Officer.

Clients will receive monthly or quarterly account statements from their account custodian. In addition, Savia will provide Clients quarterly and annual performance reports.

#### **Client Referrals and Other Compensation - Item 14**

We do not receive economic benefits from third parties in exchange for providing investment advice or other advisory services to our Clients.

#### **Referral Fees Paid**

Savia may compensate individuals and/or entities for Client referrals. All solicitor agreements are in compliance with the Investment Advisers Act of 1940. In addition, all applicable federal and state laws will also be observed. Clients procured by solicitors will be given full written disclosures describing the terms and fee arrangements between the advisor and the solicitor prior to or at the time of entering into the advisory agreement.

#### **Custody - Item 15**

Savia does not have custody of Client funds. Clients will receive account statements at least quarterly from their broker-dealer or other qualified custodian. We urge our Clients to review their account statements for accuracy. The custodial statement is the official record of your account for tax purposes.

#### **Investment Discretion - Item 16**

Savia offers Asset management Services to its advisory Clients on a discretionary basis. Savia will manage Client accounts on a discretionary basis only if the Client has granted discretionary authority in the Client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold and does not require advance Client approval. Savia does not have the ability to withdraw funds or securities from Client's account.

Due to the nature of our trading strategies, Clients cannot limit our discretionary authority.

#### **Voting Client Securities - Item 17**

#### **Proxy Voting**

Savia does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### **Financial Information - Item 18**

We are required in this Item to provide you with certain financial information or disclosures about Savia's financial condition. Savia does not require the prepayment of over \$500, six or more months in advance. Additionally, Savia 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.

#### **Requirements for State-Registered Advisors - Item 19**

**This section is intentionally left blank - Our firm is SEC registered**

**Miscellaneous**

**Trade Error Correction Procedures**

On infrequent occasions, an error may be made in a Client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the firm generally seeks to rectify the error by placing the Client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any gains or losses resulting from error correction will be placed in Savia's error correction account.

**Confidentiality**

Savia views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure.

Savia does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a Client account, Savia may share some information with its service providers, such as transfer agents, custodians, broker/dealers, accountants, and lawyers.

Savia restricts internal access to nonpublic personal information about its Clients to those employees who need to know that information in order to provide products or services to the Client. Savia maintains physical and procedural safeguards that comply with state and federal standards to guard a Client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the Client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each Client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, the firm will deliver a copy of the current privacy policy notice to its Clients on an annual basis. If you have any questions on this policy, please contact Jhonny Bello, Chief Compliance Officer, at +1 786 866-4949.