

Form ADV Part 2A Disclosure Brochure

Raffa Wealth Management, LLC

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This brochure provides information about the qualifications and business practices of Raffa Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (202) 955-6734 or info@raffawealth.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.

Additional information about Raffa Wealth Management, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view Raffa Wealth Management's information on this website by searching for Raffa Wealth Management, LLC. You may search by using the Firm's name or by using the Firm's CRD number. The CRD number for Raffa Wealth Management, LLC is 136971.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

Since our last annual amendment, filed in March 2013, we have inserted additional details explaining the services and benefits we receive from Charles Schwab & Company, Inc. that benefit only our firm and not our client accounts. Please refer to Item 12 – Brokerage Practices for more details..

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Raffa Wealth Management is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and a corporation formed under the laws of the State of Maryland and domiciled in Washington, D.C. Advisor has been registered with the SEC as an investment advisor since July 2005.

Raffa Wealth Management is owned by the following individuals:

- Dennis Gogarty – Managing Member and Chief Compliance Officer
- Thomas J. Raffa – Managing Member
- Steven Heger - Member

General Description of Primary Advisory Services

The following are brief descriptions of Raffa Wealth Management's primary services. A detailed description of our services is provided in Item 5 – Fees and Compensation so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Investment Supervisory Services - Raffa Wealth Management provides advisory services in the form of Investment Supervisory Services. Investment Supervisory Services involve providing clients with comprehensive portfolio management and continuous and on-going supervision over client accounts. This means we will continuously monitor a client's account and make trades in client accounts when necessary.

Qualified Plan Consulting Services - Raffa Wealth Management provides several advisory services for corporate retirement plans, separately or in combination. While the primary clients for these services will be pension, profit sharing, and 401(k) plans, we will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations.

Investment Consulting Services - We provide investment consultations on accounts not managed or maintained by our Firm. This service is similar to Investment Supervisory Services in that we will provide specific investment recommendations to clients; however, unlike Investment Supervisory Services, we will not have trading authorization or direct access to the accounts being reviewed under this service. Therefore, all trade implementation under this service is the responsibility of the client.

Financial Planning – We provide financial planning services through our Highly Personalized Financial Planning Services program. Financial planning services do not involve the active management of client accounts, but instead focus on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Limits Advice to Certain Types of Investments. Raffa Wealth Management provides investment advice on the following types of investments.

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)

- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- United States government securities

We may utilize unaffiliated third party investment managers when managing client portfolios and therefore will provide advice on other investment managers.

We do not provide advice on foreign issue, warrants, commercial paper, variable life insurance products, variable annuities, options, futures, and interests in partnerships investing in real estate or oil and gas interests.

Please refer to each program's description at *Item 5 – Fees* for additional details regarding the types of investments recommended specific to the program. Please also refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

When managing client accounts through the Firm's Investment Supervisory Services program, we may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

Client Assets Managed by Raffa Wealth Management

The amount of clients assets managed by Raffa Wealth Management totaled \$312,062,033 as of 12/31/2012. \$205,231,935 is managed on a discretionary basis and \$106,830,098 is managed on a non-discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our Firm's services along with descriptions of each service's fees and compensation arrangements.

Investment Supervisory Services

Raffa Wealth Management provides investment supervisory services defined as giving continuous investment advice to a client and making investments for the client based on the individual needs of the client. Through this service, Raffa Wealth Management offers a customized and individualized investment program for clients. Various investment strategies are provided through this service; however, a specific investment strategy and investment policy is crafted for each client to focus on the specific client's goals and objectives (See *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information).

Our service is implemented on a discretionary or non-discretionary basis as agreed to with the client (See *Item 16 – Investment Discretion* for more information), managed by us and/or unaffiliated investment managers we recommend, and through separate investments in equities, mutual funds, bonds, cash-equivalents, REITs, real estate and other instruments.

When Raffa Wealth Management provides management services, the Firm typically requires clients open an account through the Schwab Institutional platform of Charles Schwab & Company, Inc. However, upon approval of Raffa Wealth Management, clients may direct the Firm to manage an account at a broker-dealer or other qualified custodian selected by the client. See *Item 12 – Brokerage Practices* for more information.

Raffa Wealth Management will provide investment consulting services that relate to matters such as allocation of assets among different classes, portfolio diversification, managing portfolio risk, and other general economic and financial topics. Account supervision is guided by the stated objectives of the client and all managed accounts will be maintained with an independent custodian. The Firm employs an asset allocation strategy focused on the efficient-market theory and the Fama-French Three Factor Model.

The Firm's services retirement and retirement income planning but do not include comprehensive financial planning. Financial planning services are performed by the Firm's affiliated insurance and accounting groups.

Below are the guidelines that are followed when managing a client's portfolio:

- 1) Client investment objectives are identified by assessing the client's risk tolerance based upon their age, income, education, need for cash flows, investment goals, and emotional tolerance for volatility. The information provided by the client will be collected during client meetings, interviews, and/or questionnaires;
- 2) Strategies are developed and implemented through an optimal combination of investments;
- 3) Client circumstances are monitored and portfolio adjustments are made as appropriate to reflect significant changes in any or all of the above variables.

In the event third party investment managers are utilized, Raffa Wealth Management may consult with outside consultants who provide research, monitoring and performance reporting services with respect to third party investment managers. As a general matter, our Firm expects that the factors that will be used to determine the names of investment managers to be included on the investment manager search lists will include, but will not necessarily be limited to: reputation, performance record, philosophy, the continuity of management, service to clients, minimum dollar investment requirement and fees. Raffa Wealth Management will select one or more registered investment managers with varying styles and in turn recommend to clients to a particular investment managers based on the client's individual needs and objectives. The selection of outside investment managers is not a service that is typically offered to all clients of our Firm. The majority of our clients are provided services under the Firm's management program.

While Raffa Wealth Management is willing to consider the recommendation of numerous investment managers, currently the Firm only recommends the use of Breckenridge and Wasmer, Schroeder.

Third party investment managers recommended to clients will have full investment discretion, and trading authority, and shall have sole responsibility for the implementation of the investment program with respect to the client's account for which investment discretion has been delegated by the client and accepted by the institutional investment managers. We will not place orders for transactions in the client's account or otherwise exercise trading authority over the account at any time when the account is being managed by an investment manager.

Once the client has agreed to one or more of the recommended investment managers, Raffa Wealth Management will assist with the implementation of the portfolio, and continuously monitor the portfolio for performance, compliance with the investment guidelines, and material changes relating to the investment manager or mutual fund.

In connection with this process, Raffa Wealth Management will review the initial assumptions made with respect to appropriate portfolio risk levels as well as the criteria used to select each investment manager, and will approve these selections or suggest modifications as circumstances warrant. If the Firm believes that a particular investment manager is performing inadequately, or if we believe that a different investment manager is more suitable for a client's particular needs, then the Firm may recommend that the client contract with a different investment manager. If the client agrees, Raffa Wealth Management will implement the retention of the investment manager, and then monitor that adviser's performance.

Additional information about investment managers, investment strategies, advisory fees and other pertinent information is available and provided in the Form ADV Part 2 Disclosure Brochure of the investment managers. Clients should refer to the independent adviser's disclosure document for a full description of the services offered.

Neither Raffa Wealth Management nor any of its related persons receive any form of compensation from any recommended investment manager. No investment manager will be recommended to a client unless that manager is properly registered or exempt from registration in the client's state of residence.

Raffa Wealth Management will provide clients with quarterly reports that will address asset allocation, securities holdings and account performance. Clients are able to include accounts not managed by Raffa Wealth Management in reports provided by the Firm. Under these situations, we will not have responsibility to review or provide advice regarding the account and it is the client's responsibility to inform us of additional accounts included in the report. Raffa Wealth Management charges an additional fee of \$750 to include non-firm managed accounts in the reports. Please refer to *Item 13 – Review of Accounts* for more information.

Fees

Our compensation is derived as fee income based upon the percentage of the market value of all assets in a client's account on the last trading day of each calendar quarter. The compensation method is explained and agreed with the clients in advance before any services are rendered. The compensation for our services, which include developing and implementing an investment policy and objectives, formulating a quantitatively driven asset allocation analysis and recommendation, monitoring a client's investment results, selecting and monitoring sub-advisers are as follows:

Asset Under Management	Fee
First \$1,000,000	1.25%
Next \$2,000,000	1.00%
Next \$2,000,000	.85%
Next \$5,000,000	.70%
Next \$10,000,000	.55%
Next \$15,000,000	.40%
In Excess of \$35,000,000	.25%

The amount of the fee is negotiated on a case by case basis with the client, and is determined based upon a number of factors including the amount of work involved, the assets placed under management and the attention needed to manage the account. At the discretion of Raffa Wealth Management, the Firm may consider a fixed fee arrangement in lieu of a fluctuating asset based management fee as agreed to with the client. When fees are charged on a fixed basis, the Firm uses the fee schedule listed above to determine the fee. The Firm shall charge a fixed fee based on a percentage of the client's assets under management at the beginning of the engagement but may be adjusted to keep pace with inflation. The fixed fee will be divided into quarterly payments.

Raffa Wealth Management reserves the right to adjust the fees schedule as it deems appropriate. This may result in different fees being charged for similar services and may be less than the stated fee schedule. However, prior to increasing the standard fee schedule of a particular client, we will receive written acknowledgment from the client of the increased fee.

Fees charged by Raffa Wealth Management are separate and collected individually from fees charged by independent investment managers. Clients that have accounts managed by investment managers will also be subject to a fee charged by the investment manager; however, the total fee charged by the Firm and a recommended investment manager(s) will not exceed a total annual fee of 2.0%.

Fees are billed in advance at the beginning of each calendar quarter as agreed to with the client. Fees will generally be deducted directly from the client's brokerage or custodial account pursuant to a written agreement between Raffa Wealth Management and the client. Raffa Wealth Management has instituted the following safeguards when advisory fees are deducted directly from a client's brokerage or custodial account; (i) adviser will obtain written authorization for the deduction of advisory fees from the client; the deduction of advisory fees will be processed by Raffa & Associates, PC (a related accounting firm further described below); (ii) each time a fee is deducted Raffa & Associates will send the custodian notice of the amount of the fee to be deducted and concurrently an invoice will be sent to the client indicating the amount of the fee deducted from the account.

At the discretion of Raffa Wealth Management, the Firm may prepare and send a quarterly invoice to the client for collection of the fee in lieu of deducting the fee directly from the client's account. Investment advisory services begin with the effective date of the Agreement, which is the date the client signs the Investment Advisory Agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective.

Either Raffa Wealth Management or the client may terminate the Agreement with 30 days notice. Notice of termination must be given to the other party in writing. Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued. The client is responsible to

pay for services rendered until the termination of the agreement. The client can cancel the Agreement without penalty within the first five business days after the signing of the Agreement.

Clients should be aware of their responsibility to verify the accuracy of the fee calculation submitted to the custodian by Raffa Wealth Management, as the custodian will not determine whether the fee has been properly calculated. Raffa Wealth Management will not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client. Advisory fees charged by the Firm are separate and distinct from fees and expenses charged by mutual funds, which may be recommended to clients. A description of these fees and expenses are available in each fund's prospectus.

These fees are for advisory services only and do not include other costs that the Client may incur including but not limited to transaction fees, commissions, or other custodial fees charged by the client's custodian.

Qualified Plan Consulting Services

Clients may engage Raffa Wealth Management to provide qualified retirement plan consulting services. Qualified retirement plan consulting services may include, but is not necessarily limited to, development and maintenance of model investment portfolios, recommendations regarding investment selection, educational presentations to Plan participants, and ability to consult on a one-on-one basis with Plan Participants. The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Consulting Agreement.

Clients may engage Raffa Wealth Management to provide qualified retirement plan consulting services. Qualified retirement plan consulting services may include, but is not necessarily limited to, development and maintenance of model investment portfolios, recommendations regarding investment selection, educational presentations to Plan participants, and ability to consult on a one-on-one basis with Plan Participants. The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Consulting Agreement.

Raffa Wealth Management will have a limited power of attorney to execute transactions on behalf of Client. Raffa Wealth Management will submit trade instructions to the designated third-party administrator based upon consultation and agreement from the plan trustees for Client. Client funds and assets will be held with a third-party broker/dealer that will serve as the client's qualified custodian. See *Item 12 – Brokerage Practices* for more information.

In the event a client contracts Raffa Wealth Management for one-on-one consulting services with Plan Participants, such services as consulting in nature and do not involve the Firm implementing recommendations in individual participant accounts. It will be the responsibility of each Participant to implement changes in their individual accounts.

Fees

Fees for qualified retirement plan consulting services may be calculated and billed in advance or in arrears each quarter. Fees are based on the total market value of the Plan at the close of the quarter. The maximum fee for qualified retirement plan consulting services is as follows:

<u>Annual percentage</u>	<u>Plan Value</u>
1.00%	1 st \$1,000,000
0.75%	Next \$2,000,000
0.50%	Next \$2,000,000
0.35%	Next \$5,000,000
0.15%	Next \$15,000,000
0.10%	Over \$25,000,000

The minimum annual fee is \$3,000. If the minimum is not met as a result of the asset based fee listed above, the balance will be billed directly to the Plan sponsor.

The actual fee charged to a client will be noted in the Qualified Retirement Plan Consulting Agreement. Fees are generally deducted from the Plan by the custodian and paid to Raffa Wealth Management based upon the custodian's receipt of written authorization to have the fees deducted from the Client's account and paid to the Firm. If agreed to in advance and at the discretion of Raffa Wealth Management, the Firm may bill the Client directly rather than have fees automatically deducted from the Plan. For any Clients that the Firm bills directly, fees for our qualified retirement plan consulting services are due within 30 days after Client's receipt of the billing notice.

The Plan custodian will send statements to the Plan, at least quarterly, showing all disbursements from the Plan, including the amount of the advisory fee paid and when such fee is deducted directly from the Plan. Upon request, Raffa Wealth Management will send the Plan a fee billing notice showing the amount of the fee that will be deducted, the manner in which the fee was calculated, any adjustments to the fee and an explanation of such adjustments.

Certain expenses incurred by Raffa Wealth Management in order to perform the agreed upon Plan services will be considered outside of the standard fee for services described above and will be billed directly to client in addition to the agreed upon service fee indicated. Any outside expenses that clients may be responsible for will be described in the Qualified Retirement Plan Consulting Agreement.

In addition to Raffa Wealth Management's compensation, the Client will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses) and charges imposed by the Plan custodian and Third-Party Administrator (if applicable). Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to Client by the custodian. The Firm will not receive any portion of such brokerage commissions or transaction fees from the custodian or Client. Service fees charged by the Firm are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to Clients. A description of these fees and expenses are available in each investment company security's prospectus.

Either Client's authorized representative or Raffa Wealth Management may terminate the Qualified Retirement Plan Consulting Agreement with 30 days written notice to the other party. A refund of any unearned fees will be made based on the time expended by the Firm before termination. A full refund of any fees paid will be made if the agreement is terminated within five business days. The Qualified Retirement Plan Consulting Agreement terminates upon failure of the Client to pay Service Fees pursuant to the terms stated in that Agreement.

Investment Consulting Services

Raffa Wealth Management may provide financial and investment consultations on assets not managed or maintained by the Firm. Only accounts and portfolios of which Raffa Wealth Management is **not** the

adviser of record and does **not** have trading authorization on the account are eligible for this service. This service is generally provided to non-profit organizations. All trade implementation under this service is the responsibility of the client. Raffa Wealth Management will not at any time have access to a client's funds, securities, or account(s) and therefore will not have authority to rebalance, reallocate or trade in the account. Client portfolios are reviewed based upon the client's specific needs and desires for future financial goals and/or objectives.

Raffa Wealth Management provides for two options under this service. Under the first option Raffa Wealth Management will review or draft the client's Investment Policy Statement (IPS). When the client has a pre-existing IPS, the Firm will review the client's current holdings to establish the level of consistency with any guidelines and restrictions set forth in the IPS. To the extent a client does not have an IPS, Raffa Wealth Management will draft an IPS based on the client's investment mandates.

The second option under this service allows for Raffa Wealth Management to conduct a review of the client's current investment holdings including managers. We will review the portfolio performance against desired benchmark and provide an assessment of the portfolio's performance against the benchmark. Generally, we will not recommend the purchase or sale of specific investments, but will provide a rating or review of the overall performance of the portfolio.

Some of the following areas may be assessed as part of this service;

1. Investment Policies
2. Each portfolio's current asset allocation
3. The current risk profile of each portfolio
4. The current fee structure of each portfolio
5. Each portfolio's benchmark
6. Each mutual fund's benchmark

After Raffa Wealth Management has conducted its review, a report outlining the findings of the assessments will be provided. The report may include, but is not limited to, the following areas;

1. Improve the effectiveness of the Investment Policy
2. Minimize individual sector industry or stock risks
3. Align the risk of the portfolio with the Policy objectives
4. Reduce portfolio expenses
5. Identify custom portfolios or fund benchmarks

Fees

This service is provided on a one-time basis for a flat fee. The maximum fee charged for this service will generally not exceed \$25,000. The actual fee charged to a client is determined by Raffa Wealth Management based on factors such as, but not limited to, the number of accounts being reviewed, the total amount of assets being reviewed, the number of investment managers used by the client, and the overall nature and scope of the project.

The fee will be quoted to the client prior to commencing services and listed in the agreement for services. One-half of the fees will be due upon the client's execution of the agreement with the remaining one-half of the fees due at the time the service is completed and results are presented to the client.

Interest will be assessed at the rate of 1.5 percent per month on all balances outstanding for longer than 30 days. If turned over for collection, the client will pay Raffa Wealth Management the amounts outstanding plus any accrued interest and will reimburse the Firm for all costs of collection, including reasonable attorneys' fees and costs. In accordance with our policies, work may be suspended if a client's payment is 60 days or more overdue and services will not be resumed until client has paid in full. If Raffa Wealth Management elects to terminate its services for nonpayment, the written agreement will be deemed to have been completed upon written notification of termination, even if we have not completed the written assessment report. Clients will be obligated to compensate Raffa Wealth Management for all time expended and to reimburse the Firm for all out-of-pocket expenditures through the date of termination.

Clients are reminded that they may incur certain charges imposed by third parties other than Raffa Wealth Management in connection with their investment accounts. These fees include but not limited to, mutual fund and custodial fees. Consulting fees charged by Raffa Wealth Management are separate and distinct from the fees and expenses charged by investment company securities that may be held by clients. A description of these fees and expenses are available in each investment company security's prospectus.

Investment Consulting Services shall terminate upon Raffa Wealth Management's completion and presentment of the written portfolio review assessment. In the event a client would like to terminate services prior to completion of the review, a full refund of all pre-paid fees will be provided to the client if services are terminated within 5 days after executing the agreement for services. After the initial 5 day period, the client will be responsible for any time incurred by Raffa Wealth Management prior to notification of termination is received.

Highly Personalized Financial Planning Services

If you need more generalized planning advice, we offer Highly Personalized Financial Planning Services. These services involve preparing for you a written financial plan covering specific or multiple topics. The purpose of this program is to find ways to help you understand your overall financial situation and help you set financial objectives. Our written financial plans, typically address the following topics based on your unique, individual needs and circumstances.

- Investment Planning
- Retirement Planning
- Insurance Planning
- Tax Planning
- Education Planning
- Portfolios Review
- Asset Allocation
- Estate Planning
- Cash Flow Analysis

We can also provide more limited-focused, modular written financial plans which do not include all of the topics listed above. Instead modular plans cover only those specific areas of concern mutually agreed upon by you and Raffa Wealth Management. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that other important issues may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan.

Our services can be provided on a one-time or on-going basis.

In addition to the financial planning topics, you may also choose to receive our Performance Reporting service in connection with the written financial plan we provide. Our Performance Reporting service enables you to receive aggregated statements and reports that will address asset allocation, securities holdings and account performance for all accounts you elect to include in the reports. Our reports are provided on quarterly and also as-needed basis when determined by Raffa Wealth Management or at your request. You are able to include both accounts managed by our Firm and accounts held away that are not managed by our Firm. For accounts not managed by our Firm, we do **not** have responsibility to review or provide on-going advice regarding the account and it is your responsibility to inform us of additional accounts that you would like included in our reporting services.

Our financial planning services do not involve the implementation of any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts by Raffa Wealth Management. You will have the sole responsibility for determining whether to implement our financial planning recommendations. To the extent that you would like to implement any of our investment recommendations through Raffa Wealth Management or retain Raffa Wealth Management to actively monitor and manage your investments, you will need to execute a separate written agreement with Raffa Wealth Management for our asset management services described previously in this brochure.

Fees

We charge for our financial planning services under a fixed fee arrangement that will vary depending upon such variables as the complexity of your personal and financial circumstances, the scope of the engagement and services that will be provided by Raffa Wealth Management, your gross income, the experience of the investment adviser representative providing the services, the nature and total value of the assets subject to the services and whether or not you have assets under management with Raffa Wealth Management. Your fee is negotiable with Raffa Wealth Management based upon these factors.

There is a range in the amount of the fixed fee charged by Raffa Wealth Management for financial planning services. The minimum fixed fee is generally \$2,500 and maximum fixed fee is generally no more than \$10,000. The amount of the fixed fee for your engagement will be specified in your financial planning agreement with Raffa Wealth Management. The following are provided as examples.

- A typical personalized financial plan covering the topics listed above (minus estate planning) costs \$2,500
- The same personalized financial plan that also includes estate planning analysis will cost \$5,000
- A personalized financial plan with estate planning analysis plus our Performance Reporting services will generally cost \$10,000 plus a fixed asset-based fee (no more than 0.50% of the total assets being reported on accounts not managed by Raffa Wealth Management) or fixed fee per account (no more than \$500 per account annually on accounts not managed by Raffa Wealth Management)

You are required to pay in advance 50% of the fixed fee at the time you execute an agreement with Raffa Wealth Management; however, at no time will Raffa Wealth Management require payment of more than \$1,200 in fees more than six months in advance. The fixed fee will be considered earned by Raffa Wealth Management and any unpaid amount immediately due from you upon completion and delivery of the

financial plan. The same process is used for updates to plans if you choose to engage our on-going services. Prior to updating a financial plan (which generally occur semi-annually or annually as agreed to with you), you will be required to pay in advance 50% of the fixed fee with the remaining amount due upon presentment of the updated plan.

The portion of fees charged for Performance Reporting services will be divided and billed quarterly in advance. Fees are due upon your receipt of an invoice from our Firm.

If you sign up for a one-time financial plan, our services will terminate upon thirty (30) days following the delivery of the written financial plan or either you or Raffa Wealth Management providing the other party with written notice. You may terminate the financial planning services sooner upon providing Raffa Wealth Management with notice. Raffa Wealth Management may terminate the financial planning services sooner upon providing Client with written notice effective upon 30 days after you receive the written notice. If you terminate the financial planning services after entering into an agreement but prior to delivery of the written plan, you will be responsible for immediate payment of any financial planning services performed by Raffa Wealth Management prior to the receipt by Raffa Wealth Management of your notice. You will pay Raffa Wealth Management a pro-rated fixed fee equivalent to the percentage of work completed by Raffa Wealth Management as determined by Raffa Wealth Management. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Raffa Wealth Management to you.

If you sign up for on-going financial planning services, either you or Raffa Wealth Management must provide the other party with written notice to terminate services. You may terminate financial planning services upon providing Raffa Wealth Management with notice. Raffa Wealth Management may terminate the financial planning services upon providing you with written notice effective upon 30 days after you receive the written notice. If you terminate the financial planning services after entering into an agreement but prior to delivery of the written plan, you will be responsible for immediate payment of any financial planning services performed by Raffa Wealth Management prior to the receipt by Raffa Wealth Management of your notice. You will pay Raffa Wealth Management a pro-rated fixed fee equivalent to the percentage of work completed by Raffa Wealth Management as determined by Raffa Wealth Management. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Raffa Wealth Management to you.

The decision to provide a refund for quarterly fees charged for Performance Reporting services is based on whether or not you receive reports during the quarter in which services are terminated. If all reports have been provided, no refund is available. However, if you choose to terminate services before receiving all reports for the period, a pro-rated refund will be provided based on the number of reports that will not to be generated and provided to you.

Other Fee Terms for Financial Planning Services

You should notify Raffa Wealth Management within ten (10) days of receipt of an invoice if you are concerned about or dispute any billing entry.

Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by Raffa Wealth Management, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to Raffa Wealth Management for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also incur a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to Raffa Wealth Management and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

All fees paid to Raffa Wealth Management for these services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charges.

All fees paid to Raffa Wealth Management for financial planning services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to implement the recommendations of Raffa Wealth Management through our other investment advisory programs, Raffa Wealth Management may waive or reduce a portion of the investment advisory fees for such investment advisory program. Any reduction will be at the discretion of your investment adviser representative and will be disclosed to you prior to contracting for additional investment advisory services.

It should be noted that lower fees for comparable financial planning services may be available from other sources.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Raffa Wealth Management **does not charge or accept performance-based fees** which are defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Raffa Wealth Management generally provides its investment advice to individuals, not-for-profit organizations, foundations and other institutions, and qualified retirement plans.

All clients are required to execute an agreement for services in order to establish a client arrangement with Raffa Wealth Management and/or the sponsor of third-party money manager platforms.

Minimum Investment Amounts Required

- Generally, the minimum dollar value of assets required to set up an investment advisory account is \$250,000. However, Raffa Wealth Management has discretion to waive the account minimum. Accounts of less than \$250,000 may be set up when the client and Raffa Wealth Management anticipate the client will add additional funds to the accounts bringing the total to \$250,000 within a reasonable time. Other exceptions will apply to employees of the Firm and their relatives, or relatives of existing clients.

- The minimum fixed fee generally charged for financial planning services is \$2500.

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

Raffa Wealth Management uses the following methods of analysis in formulating investment advice.

The Firm's primary method of analysis to identify appropriate investment vehicles begins with a proprietary ranking system that screens available funds. The screening method evaluates fifteen different factors related to each fund's holdings, fundamental characteristics, and historical risk and return. Once this screening process identifies the top ranked funds in each asset class, the next step is a qualitative review of each fund's management and strategy. The goal in performing this analysis is to identify funds that will reliably deliver or exceed the performance of the asset class to which they are selected to provide exposure.

Some of the risks involved with using this method include the risk that the analysis will not identify the funds that perform best over any specific future time frame, that the funds fail to outperform the return of their asset class benchmark, and the funds lose value.

Raffa Wealth Management uses the following investment strategies when managing client assets and/or providing investment advice.

Raffa Wealth Management's strategy is to diversify completely so as to minimize unique business, sector, or country risks and to use a mix of stocks and bonds to deliver the optimal level of risk for each client. In implementing such a strategy, the Firm primarily uses passively managed mutual funds or exchange traded funds that seek to deliver or exceed the returns of the asset class benchmark to which they are providing exposure. Some of the risks involved with recommending mutual funds are general market risk. Some of the risks involved in recommending exchange traded funds are general market risks as well as liquidity or marketability risks in trading execution.

Raffa Wealth Management has developed investment model portfolios based on the Firm's asset allocation approach. Three central tenants form the basis for the approach:

1. Comprehensive market diversification minimizes the risks inherent in concentrating investments in relatively few companies, industries, sectors, or countries.
2. A portfolio's asset allocation determines its results. Emphasizing the risks inherent in small and value oriented companies can increase expected returns – commensurate with additional levels of risk. The role of fixed income in a portfolio is to reduce overall volatility and high quality, shorter term bonds perform this function most effectively.
3. Investment fees detract directly from investment results. In an effort to maximize the potential for investment results, portfolios should reduce all unnecessary expenses – particularly those associated with speculation and trading.

Such a broadly diversified, precise, and efficient approach seeks to deliver the optimal level of risk for each client in pursuit of their long term investment goals.

The risks inherent in such a strategy are the risks of investing in general – which involve the potential for market losses. Investing in small company stocks, stocks with a value orientation, and stock from

emerging market countries carry additional risks and may lose value more sharply and to a greater extent during down periods in the market. Investing in fixed income securities involves credit risk including the risk of default and interest rate risk.

In addition, we use some of the following general investment strategies when providing advice and managing accounts.

- Long term purchases - Investments held at least a year.
- Short term purchases - Investments sold within a year.
- Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). These are minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.
- Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our Firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When our Firm invests in a an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our Firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

This item is not applicable to our brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Raffa Wealth Management is an independent investment advisory firm and only provides investment advisory services. The Firm is not engaged in any other business activities and offers no other services than those described in this Disclosure Brochure. Raffa Wealth Management is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) lawyer or law firm, (7) pension consultant. (8) real estate broker or dealer, or (9) sponsor or syndicator of limited partnerships.

While Raffa Wealth Management does not sell products or services other than investment advice, Raffa Wealth Management's related persons, Mr. Thomas Raffa and Mr. Steven Heger, are also principals of related entities.

Affiliated Companies and Principal's Other Business Activities

Mr. Thomas Raffa is a principal for Raffa & Associates, PC, which provides professional consulting, accounting, and technology services, and Raffa Financial Services, Inc. which provides insurance products. The majority of Raffa Wealth Management's clients will be acquired through referrals from Raffa & Associates, PC. Raffa Wealth Management may also refer clients to the other Raffa related firms. There is no fee-paying arrangement in existence for the referral of clients between Raffa related entities. However, each Raffa entity has an economic incentive to refer clients among the accounting, insurance and advisory firms because the three firms are related entities (i.e. under common ownership).

Mr. Raffa divides his time among the business activities related to the three related entities. Mr. Steven Heger is a principal in Raffa Financial Services, Inc. He is also a registered representative of Mass Mutual Life Investors Services, Inc., a registered broker-dealer, member FINRA/SIPC. Mr. Heger spends 100% of his time on the business activities related to Raffa Financial Services, Inc. and his affiliation with Mass Mutual Life Investors Services, Inc. While Mr. Heger is a part owner of Raffa Wealth Management; he does not provide investment advice to clients of the Firm, the Firm's clients are not referred to or from Mr. Heger and is not considered a control person of Raffa Wealth Management. As a non-control owner, Mr. Heger is not involved in the day-to-day operations of Raffa Wealth Management's nor does he make decisions regarding the Firm's business operations and advisory services. Mr. Heger is not considered a supervised person and does not have access to non-public information of Raffa Wealth Management's clients.

Mr. Dennis P. Gogarty is licensed as an insurance agent. If you are in need of insurance products, he may refer you to Raffa Financial Services. Please refer to Mr. Gogarty's Form ADV Part 2B Brochure Supplement available towards the back of this brochure for details regarding Mr. Gogarty's arrangement with Raffa Wealth Management and share of commissions he earns.

Selection of other Investment Managers

As described in *Item 5 – Fees and Compensation*, Raffa Wealth Management may refer clients to third-party investment managers depending on each client's individual financial needs and circumstances.

Unlike many investment advisors that refer their clients to third-party managers, when we refer clients to a third-party manager, we will not receive a referral or solicitor fee from the third-party manager. Nor will we receive any portion of the fee charged by the third-party manager to the client. Therefore, our recommendations of third-party managers are based solely on our evaluation criteria and each client's individual needs and not based on compensation we could receive.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Raffa Wealth Management, its principals and employees may, on a limited basis, purchase securities for their personal accounts which may also be recommended to clients. Although related persons invest in the same securities that the Firm recommends to clients, the nature of the investment vehicles used by the Firm greatly reduces the conflicts that arise in connection with personal trading. To further avoid any potential conflicts of interest involving personal trades, Raffa Wealth Management has adopted a formal

code of ethics (the “Code”) which includes a personal securities transaction and insider trading policies and procedures. Adviser’s Code requires, among other things, that employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Raffa Wealth Management above one’s own personal interests;
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on yourself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve your professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

Raffa Wealth Management’s Code also requires employees to: 1) pre-clear personal securities transactions involving private placements and initial public offerings, 2) report personal securities transactions on at least a quarterly basis, and 3) provide the Firm with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest.

This disclosure is provided to give all clients a summary of Raffa Wealth Management’s Code of Ethics. **However, if a client or a potential client wishes to review the Firm’s Code of Ethics in its entirety, a copy will be provided promptly upon request.**

Item 12 – Brokerage Practices

In the course of providing our services, Raffa Wealth Management will execute trades for our clients through broker-dealers recommend by the Firm. Our general guiding principle is to trade through broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, Raffa Wealth Management considers a number of factors, including if the broker has custody of client assets, the actual handling of the order, the ability of the broker-dealer to settle the trade promptly and accurately, the financial standing of the broker-dealer, the ability of the broker-dealer to position stock to facilitate execution, our past experience with similar trades, and other factors which may be unique to a particular order. Based on these judgmental factors, we may trade through broker-dealers that charge fees that are higher than the lowest available fees.

In addition, broker-dealer fees may vary and be greater than those typical for similar investments if we determine that the research, execution and other services rendered by a particular broker merit greater than typical fees.

Absent an existing brokerage relationship Raffa Wealth Management will assist the client with developing a relationship with the Institutional Division of Charles Schwab & Company, Inc. (Charles Schwab).

In the event the client directs Raffa Wealth Management to use a particular broker dealer other than Charles Schwab, the Firm and/or investment manager may be unable to negotiate commissions and to obtain volume discounts or best execution. In such circumstances, Client is responsible for negotiating the terms and arrangements for the Account with that broker or dealer. Raffa Wealth Management will not seek better execution services or prices from other broker-dealers or be able to aggregate Client's transactions, for execution through other brokers or dealers, with orders for other accounts advised or managed by the Firm. As a result, the Firm may not obtain best execution on behalf of Client, who may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions for the Account than would otherwise be the case.

Raffa Wealth Management is not obligated to acquire for any account any security that we or our officers, partners, members or employees may acquire for their own accounts or for the account of any other client, if in the Firm's absolute discretion it is not practical or desirable to acquire a position in such security.

Raffa Wealth Management recommends the use of Charles Schwab based on the services provided by Charles Schwab, such as ability to execute trades, margin rates, on-line access to accounts, transaction charges, consolidated reporting, duplicate monthly statements, access to mutual funds, including lower sales charges than for direct purchases and lower minimum purchase amounts.

As part of the institutional programs offered by Charles Schwab, Raffa Wealth Management receives benefits that it would not receive if it did not provide investment advice to clients. While there is no direct affiliation or fee sharing arrangement between Schwab and Raffa Wealth Management, economic benefits are received by the Firm which would not be received if we did not have an established relationship with these companies. These benefits do not depend on the amount of transactions directed by the Firm to Charles Schwab. These benefits may include: a dedicated trading desk that services the Firm's clients, a dedicated service group and an account services manager dedicated to the Firm's accounts, access to a real time order matching system, ability to block client trades, electronic download of trades, portfolio management software, access to an electronic interface, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), a quarterly newsletter, access to mutual funds, ability to have loads waived for the Firm's clients who invest in certain loaded funds when certain conditions are met and maintained, and the ability to have custody fees waived.

Although many of the services and benefits we receive from Charles Schwab benefit our clients or benefit their accounts, there are some services that benefit only our firm because they are intended to help us manage and further develop our business enterprise. These services include:

1. Educational conferences and events including those sponsored by Charles Schwab such as their IMPACT Conference
2. Technology, compliance, legal, and business consulting;
3. Publications and conferences on practice management and business succession; and
4. Access to employee benefits providers, human capital consultants and insurance providers.

Charles Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Charles Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Charles Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Charles Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Charles Schwab's services so long as we keep a total of at least \$10 million of client assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend or request that you maintain your account with Charles Schwab based on our interest in receiving Charles Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Charles Schwab as custodian and broker is made in the best interests of our clients. It is primarily supported by the scope, quality and price of Charles Schwab's services (as previously described above and not Charles Schwab's services that benefit only us. We have over \$300 million in client assets under management and do not believe that maintaining at least \$10 million of those assets at Charles Schwab in order to avoid paying Charles Schwab quarterly service fees presents a material conflict of interest.

Handling of Trade Errors.

Raffa Wealth Management has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Raffa Wealth Management to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Raffa Wealth Management if the error was caused by the Firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. Raffa Wealth Management may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons). Raffa Wealth Management will never benefit or profit from trade errors.

Trading Policy

Our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Further, the investments we are responsible for trading in client accounts are typically limited to mutual funds, ETFs, and other broadly traded positions. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Item 13 – Review of Accounts

Investment Account Reviews and Reviewers

Generally, client accounts are reviewed on a quarterly basis by Dennis P. Gogarty, Managing Member, Mark Murphy, Senior Portfolio Manager, and Chase Deters, Portfolio Manager. Considerations taken into account during the review include, but may not be limited to, asset allocation, risk profile, performance and unusual anomalies. Significant market fluctuations, changes in a client's financial circumstances or substantial contributions or withdrawals in a client's account are factors that may trigger a review.

Financial Planning Reviews

Our one-time financial planning services terminate upon thirty (30) days following the delivery of the written financial plan and do not involve on-going reviews of your account. Therefore, there's no ongoing review of your account(s) under such services.

Clients engaging on-going financial planning services will receive semi-annual or annual updates to their plan as agreed to with Raffa Wealth Management. Dennis P. Gogarty, Mark Murphy and Chase Deters are responsible for preparing financial plans.

Statements and Reports

Raffa Wealth Management may provide clients with statements and reports that will address asset allocation, securities holdings and account performance. Such reports may be provided on a quarterly or as-needed basis as determined by Raffa Wealth Management or requested by the client. Clients are able to include accounts not managed by the Firm in reports provided by the Firm. Under these situations, we will not have responsibility to review or provide advice regarding the account and it is the client's responsibility to inform us of additional accounts included in the report. Raffa Wealth Management charges an additional fee on either a fixed asset-based fee basis (no more than 0.50% of the total assets being reported on accounts not managed by Raffa Wealth Management) or fixed fee per account basis (no more than \$500 per account annually on accounts not managed by Raffa Wealth Management).

Clients will also receive quarterly account statements directly from their qualified custodian (e.g. broker/dealer). Raffa Wealth Management strongly urges all clients to closely review all account statements received from qualified custodians. Further, clients are urged to compare the statements received from qualified custodians against the statements and reports generated by the Firm.

Item 14 – Client Referrals and Other Compensation

- Raffa Wealth Management does not directly or indirectly *compensate* anybody for client referrals.
- Please refer to the description of benefits from broker/dealers described in *Item 12* of this Disclosure Brochure. Such benefits can be considered other compensation.
- Raffa Wealth Management's associated persons in their capacities as independent insurance agents and affiliates of Raffa Financial Services may receive commissions and other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of this compensation may affect the judgment of Raffa Financial Services and Raffa Wealth Management's associated persons when recommending products to its clients. While Raffa Wealth Management's associated persons endeavor at all time to put the interest of the clients first as a part of the Firm's fiduciary duty, clients should be aware that the receipt of commission and additional compensation itself creates a conflict of interest, and may affect the judgment of Raffa Financial Services and these individuals when making recommendations.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by the SEC as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Raffa & Associates PC provides Chief Financial Officer (CFO) services to certain clients of Raffa Wealth Management. Such services can result in Raffa & Associates, PC, its owners, or employees having access or control over client assets held at a bank or other third-party. These services result in Raffa & Associates, PC having custody (as that term has been defined by the SEC) of Raffa Wealth Management's client assets. However, services resulting in custody that are performed by Raffa & Associates, PC, its owners, or employees are NOT imputed to the Firm, and therefore Raffa Wealth Management is NOT deemed to have custody of client assets for which Raffa & Associates, PC, its owners, or its employees provide CFO services. This is because Raffa & Associates, PC's CFO services will never result in Raffa & Associates, PC having custody of funds or assets managed by Raffa Wealth Management or funds and assets that otherwise fall under the services provided by the Firm. Clients of the Firm that are also clients of Raffa & Associates are charged separately for Raffa & Associates accounting services, including its CFO services. Raffa Wealth Management's fees are in addition to fees charged for Raffa & Associates' accounting services.

Raffa Wealth Management is generally given the authority from clients to allow Raffa & Associates the ability to deduct advisory fees directly from client accounts. Such authority is deemed to be custody as defined by the SEC. Raffa Wealth Management has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client (other than an affiliated person of Adviser, Raffa & Associates, or Raffa Financial Services) are also notified, in writing of the qualified custodian's name, address and the manner in which the funds or securities are maintained, promptly when the account is opened and following any changes. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative (other than an affiliated person of Adviser, Raffa & Associates, or Raffa Financial Services), at least quarterly. **Clients are strongly urged to compare any statements or reports from Raffa Wealth Management against the account statements received directly from qualified custodians.**

Item 16 – Investment Discretion

Through its investment supervisory services and upon receiving written authorization from a client, Raffa Wealth Management will maintain trading authorization over client accounts. Upon receiving written authorization from the client, the Firm may implement trades on a **discretionary** basis. When discretionary authority is granted, the Firm will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is the policy of Raffa Wealth Management to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our Firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Raffa Wealth Management will not vote proxies on behalf of your account. While there are some investment advisors that will vote proxies and other corporate decisions on behalf of their clients, we have determined that taking on the responsibility for voting client securities does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in accounts managed by our Firm.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by our Firm. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us.

Item 18 – Financial Information

This item is not applicable to this brochure. Raffa Wealth Management does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

Information Required by Part 2B of Form ADV: *Brochure Supplement*

Dennis P. Gogarty, Managing Member, Chief Compliance Officer and Financial Advisor

Item 1 – Cover Page

This brochure supplement provides information about Dennis Gogarty that supplements the information previously provided in this brochure. Please contact him at (202) 955-6734 if you have any questions about the contents of this supplement.

Additional information Dennis Gogarty is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Born: 1970

Formal Education After High School:

- Frostburg State University, BS in Marketing, 1992

Business Experience for the Preceding Five Years:

- July 2005 to Present: Raffa Wealth Management, LLC – Managing Member/Chief Compliance Officer
- June 2005 to December 2008: Investors Security Company – Registered Representative
- October 2002 to January 2005: MML Investor Services, Inc. – Registered Representative
- June 1996 to September 2002: ADP, Inc. – Sales Manager

Item 3 – Disciplinary Information

Mr. Gogarty has never been subject to a legal or disciplinary event required to be reported by the Form ADV Part 2B – Brochure Supplement instructions.

Item 4 – Other Business Activities

Mr. Gogarty is independently licensed as an insurance agent. Although licensed, Mr. Gogarty's practice does not actively involve selling insurance products to clients. Instead, Mr. Gogarty will refer clients in need of insurance products to Raffa Financial Services. Mr. Gogarty has an arrangement with Raffa Financial Services to receive a portion of the commissions earned from insurance products sold to his clients through Raffa Financial Services. The receipt of compensation may affect the judgment of Mr. Gogarty when recommending Raffa Financial Services and providing insurance advice, in general, to his clients. While Mr. Gogarty endeavors at all times to put the interest of his clients first as a part of Raffa Wealth Management's overall fiduciary duty to clients, clients should be aware that the receipt of commissions itself creates a conflict of interest, and may affect Mr. Gogarty's decision making process when making recommendations. Clients are never obligated or required to purchase insurance products from or through Raffa Financial Services and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Item 5 – Additional Compensation

Mr. Gogarty does not receive compensation in addition to the fees described in Item 5 and benefits described in Item 14 of this Disclosure Brochure. As disclosed in Item 4 above, Mr. Gogarty will receive a portion of the insurance commissions earned by Raffa Financial Services when selling insurance products.

Item 6 – Supervision

Mr. Gogarty is the Chief Compliance Officer of Raffa Wealth Management and ultimately responsible for supervising activities and services provided by the Firm. Investment accounts and investment programs are reviewed as frequently as weekly. Mr. Gogarty is responsible for monitoring investment accounts under his control, but actively seeks the assistance of other Raffa Wealth Management investment advisor representatives when needed.

Mark P. Murphy, Senior Portfolio Manager

Item 1 – Cover Page

This brochure supplement provides information about Mark Murphy that supplements the information previously provided in this brochure. Please contact him (202) 955-6734 if you have any questions about the contents of this supplement.

Additional information about Mark Murphy is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Born: 1983

Formal Education After High School:

- University of Richmond, BSBA with concentrations in Finance and Accounting, 2004
- University College Dublin, One Semester

Business Experience for the Preceding Five Years:

- July 2010 to Present: Raffa Wealth Management, LLC – Senior Portfolio Manager
- November 2006 to July 2010: CapitalSource Bank - Senior Account Executive
- June 2004 to November 2006: Cambridge Associates LLC – Investment Performance Analyst

Item 3 – Disciplinary Information

Mr. Murphy has never been subject to a legal or disciplinary event required to be reported by the Form ADV Part 2B – Brochure Supplement instructions.

Item 4 – Other Business Activities

Mr. Murphy is not engaged in any business activities outside of his role with Raffa Wealth Management.

Item 5 – Additional Compensation

Mr. Murphy does not receive compensation in addition to the fees described in Item 5 and benefits describes in Item 14 of this Disclosure Brochure.

Item 6 – Supervision

Mr. Murphy is a Senior Portfolio Manager and he is supervised directly by the Firm's Chief Compliance Officer, Dennis Gogarty who may be reached at (202) 955-6734.

Chase Deters, Portfolio Manager

Item 1 – Cover Page

This brochure supplement provides information about Chase Deters that supplements the information previously provided in this brochure. Please contact him at (202) 955-6734 if you have any questions about the contents of this supplement.

Additional information about Chase Deters is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Born: 1983

Formal Education After High School:

- Hope College, BA in Economics & Business Management, 2004

Business Experience for the Preceding Five Years:

- June 2010 to Present: Raffa Wealth Management, LLC – Portfolio Manager
- January 2009 – May 2010 – Blisk Financial Group – Sr. Investment Analyst
- May 2005 – October 2008 – The Centennial Group – Director of Financial Planning

Item 3 – Disciplinary Information

Mr. Deters has never been subject to a legal or disciplinary event required to be reported by the Form ADV Part 2B – Brochure Supplement instructions.

Item 4 – Other Business Activities

Mr. Deters is not engaged in any business activities outside of his role with Raffa Wealth Management.

Item 5 – Additional Compensation

Mr. Deters does not receive compensation in addition to the fees described in Item 5 and benefits described in Item 14 of this Disclosure Brochure.

Item 6 – Supervision

Mr. Deters is a Portfolio Manager and he is supervised directly by the Firm's Chief Compliance Officer, Dennis Gogarty who may be reached at (202) 955-6734.

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