



## Our Firm Brochure

This brochure provides information about the qualifications and business practices of Safran Wealth Advisors, LLC.

If you have any questions about the contents of this brochure, please contact us at 212-328-9530.

**The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC"), or by any state securities authority.**

**Additional information about Safran Wealth Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

Being a "registered investment advisor" or describing ourselves as being "registered" does not imply a certain level of skill or training.

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## **Item 2: Summary of Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission ("SEC") recently published amendments to the rules for firm brochures. This brochure is redesigned in a narrative format and is materially different in its structure to meet the requirement of a narrative "plain English" format. The new final rule specifies mandatory sections and organization.

### **Full Brochure Available**

To obtain our firm brochures and brochure supplements, our Code of Ethics, or our Privacy Policy, please e-mail us at [info@safranwealthadvisors.com](mailto:info@safranwealthadvisors.com) or telephone at (212) 328-9530.

### Item 3: Table of Contents

|   |    |
|---|----|
| Item 1: Cover Page .....  | i  |
| Item 2: Summary of Material Changes.....                                  | ii |
| Item 3: Table of Contents .....   | 1  |
| Item 4: Advisory Business .....   | 4  |
| Firm Description.....   | 4  |
| Principal Owners .....  | 4  |
| Types of Advisory Services.....   | 5  |
| Tailored Relationships.....   | 6  |
| Types of Agreements .....   | 6  |
| Wealth Management Retainer Agreement .....                                | 6  |
| Termination of Agreement .....  | 6  |
| Item 5: <u>Fees and Compensation</u> .....                                | 7  |
| Description .....   | 7  |
| Wealth Management.....  | 7  |
| Termination of Agreement .....  | 7  |
| Hourly Panning Engagements.....   | 8  |
| Other fees Expense Ratios.....  | 8  |
| Comparable Fees.....  | 8  |
| Item 6: Performance-Based Fees.....                                       | 9  |
| Sharing of Capital Gains .....  | 9  |
| Item 7: Types of Clients.....   | 9  |
| Description .....   | 9  |
| Account Minimums.....   | 9  |
| Item 8: Methods of Analysis, Investment Strategies and Risk of Loss ..... | 9  |
| Methods of Analysis and Investment Strategies .....                       | 10 |
| Methods of Analysis: Sources of Information .....                         | 11 |
| Types of Investments .....  | 11 |
| Risk of Loss .....  | 12 |

|   |    |
|---|----|
| Item 9: Disciplinary Information .....  | 13 |
| Item 10: Other Financial Industry Activities and Affiliations.....                              | 13 |
| Relationships with Investment Product Providers .....   | 13 |
| Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading. | 14 |
| Code of Ethics .....  | 14 |
| Participation or Interest in Client Transactions and Personal Trading.....                      | 15 |
| Item 12: Brokerage Practices .....  | 16 |
| Selecting Brokerage Firms.....  | 16 |
| Best Execution.....   | 16 |
| Discussion of Benefits to Safran Wealth Advisors - Soft Dollars.....                            | 17 |
| TradeAggregation .....  | 17 |
| Item 13. Review of Accounts .....   | 18 |
| Periodic Reviews .....  | 18 |
| Review Triggers .....   | 18 |
| Regular Reports.....  | 18 |
| Item 14. Client Referrals and Other Compensation .....  | 18 |
| Item 15: Custody .....  | 19 |
| Account Statements.....   | 19 |
| Performance Reports.....  | 19 |
| Other Statements.....   | 19 |
| Item 16: Investment Discretion .....  | 19 |
| Discretionary Authority for Trading.....  | 19 |
| Item 17: Voting Client Securities .....   | 19 |
| Proxy Votes .....   | 19 |
| Item 18: Financial Information .....  | 20 |
| Financial Condition .....   | 20 |
| Item 19: Business Continuity Plan .....   | 20 |
| General.....  | 20 |
| Disasters.....  | 20 |
| Alternate Offices .....   | 20 |

|   |    |
|---|----|
| Information Security Program .....              | 20 |
| Information Security .....                      | 20 |
| Privacy Notice .....                            | 21 |
| Brochure Supplement (Part 2B of Form ADV) ..... | 22 |
| Education and Business Standards .....          | 22 |
| Professional Certifications .....               | 22 |
| Erika Safran, CFP .....                         | 22 |

## **Item 4:        Advisory Business**

### **SAFRAN WEALTH ADVISORS**

Safran Wealth Advisors is a registered investment advisor with the U.S. Securities and Exchange Commission.

Safran Wealth Advisors is a wealth management firm, providing integrated financial planning and investment advisory services. We recognize each client is unique, and we work closely with our clients to understand their personal life goals and values as well as financial objectives.

By having a thorough understanding of our clients' lives and their future goals, we help accomplish what is important to them.

#### **We help our clients**

- Develop wealth by budgeting and better understanding of your cash flow.
- Grow wealth through portfolio management utilizing strategic and tactical allocations.
- Evaluate and minimize tax exposure through tax planning.
- Evaluate and establish retirement plans.
- Create retirement distribution strategies.
- Measure risk exposures and recommend solutions.
- Develop an estate plan to make sure family needs and financial goals are met.
- Plan for specific needs.

With the consent of our clients we consult with our clients' other professional advisors as planning recommendations are formulated or implemented and help them choose their other professional advisors which may include tax, insurance, legal and other specialists to as planning recommendations are being implemented or formulated.

We believe that our clients are best served by broad diversified portfolios. When applicable, we utilize mutual funds and Exchange Traded Funds (ETF's) with low annual expense ratios and internal transaction costs. Our portfolios also utilize individual fixed income securities, and other investment products. Our investment strategy is based upon leading academic research and the results of our own analyses.

We are fee-only. At Safran Wealth Advisors we actively seek to avoid conflicts of interest which may exist between our firm and our clients. We do not sell products and do not accept commissions.

Safran Wealth Advisors does not act as a custodian of client assets. We have chosen to use Charles Schwab & Co., an independent qualified custodian for the safety of our client's funds. The custodian provides separate monthly or quarterly statements directly to our clients, detailing their account holdings. Erika Safran, CFP is 100% stockholder.

## Types of Advisory Services

### Wealth Management

Wealth Management is the processes of helping our clients meet their life goals by providing ongoing financial planning and investment management.

#### Financial Planning

We begin with a thorough client interview and data gathering process. In order to better understand our clients and serve their needs, we gather information both on the subjective or qualitative aspect of our clients lives as well as the quantitative data.

Gathering qualitative information is a strong foundation of our client relationships, helping to identify lifetime goals, communication preferences and values and attitudes toward money and risk in their in their life.

Quantitative information gives us information about our client's financial strength. Such information may pertain to a client's assets and liabilities, cash flow, taxes, insurance coverage, as well as any other information which may be important to consider in developing recommendations. We rely on information supplied by the client and the client's other professional advisors.

This information becomes the basis for the financial plan and portfolio allocation which we develop to meet your short and long term personal financial goals.

The Financial Plan details the analysis of the client's financial life and includes recommended actions and strategies for achieving their goals. We facilitate the implementation and coordinate the process. Finally, the Financial Plan and recommended strategies are monitored on an ongoing basis for needed changes

Safran Wealth Advisors may also provide a form of targeted financial planning and consulting services that does not result in the creation of a Financial Plan.

#### Investment Management

Investment Management is an integral part of the wealth management process. Safran Wealth Advisors provides investment portfolio management for all clients based on a recommended allocation determined during the financial planning process that is tailored to the individual needs of the client. As wealth managers, on more than an occasional basis, Safran Wealth advisors furnishes advice to clients on matters not involving securities, but on personal financial matters that may have a direct impact on client's financial situation.

As of December 31, 2012, Safran Wealth Advisors manages approximately \$48,000,000 in client assets for 72 clients. Approximately \$45,000,000 is managed on a discretionary basis, and \$3,000,000 is managed on a non-discretionary basis.

## **Tailored Relationships**

Our services are tailored to meet our clients' goals, objectives and preferences. The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

## **Types of Agreements**

The following agreements define the typical client relationships. Agreements may not be assigned without client consent.

### **Wealth Management Retainer Agreement**

The wealth management agreement incorporates financial planning and ongoing investment portfolio management for our clients regardless of asset size.

The financial plan may include, but is not limited to: a net worth and cash flow statement; a review of investment and retirement accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Portfolio assets are invested primarily in no-load mutual funds and exchange-traded funds.

Investments may also include: equities (stocks), fixed income securities, commercial paper, certificates of deposit, municipal bond, U. S. government securities. Initial public offerings (IPOs) are not available through Safran Wealth Advisors.

### **Termination of Agreement**

A Client may terminate any of the aforementioned agreements at any time by notifying Safran Wealth Advisors in writing.

Safran Wealth Advisors may terminate any of the aforementioned agreements at any time by notifying the client in writing.

Upon termination, fees will be prorated through the date of termination and the unearned portion of the fee will be refunded to the client



## **Item 5: Fees and Compensation**

**Safran Wealth Advisors offer services on a fee basis.**

**This may include a fixed retainer fee, fees based on asset management, or hourly fees.**

### **Description**

#### **Wealth Management**

Fees for Wealth Management Services are available on fixed retainer schedule. The fees are based on the value of investable assets at the time of engagement and may be adjusted every three year period based on Safran Wealth Advisors fee structure at that time.

Investable assets include investment and bank accounts, employee stock options, individual and employer sponsored retirement plans, etc.

Our Wealth Management Service includes financial planning and ongoing management of client assets based on client needs, goals and formulated financial planning recommendations.

Basic fee        \$10,000 per year for assets up to \$1,000,000  
Basic fee plus   1.00% per year for amounts up to \$5,000,000  
Basic fee plus   0.65% per year for amounts over \$5,000,000

First year Wealth Management Fees may be billed 50% in advance and may include one additional quarter billing cycle during the first calendar year. Ongoing fees are billed quarterly in arrears, meaning clients are invoiced after a three month billing period has ended.

Ongoing fees are deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Safran Wealth Advisors, at its sole discretion may negotiate fees with a client based upon certain criteria such as historical relationship, current financial condition and anticipated change in client's future financial situation.

#### **Termination of Agreement**

After entering into an agreement a client has five (5) business days to cancel and obtain a full refund. If a client opts to terminate the agreement after such initial five day period but before the presentation of the financial plan, Safran will be compensated for time spent in developing the financial plan. The unearned portion of the fee, if any, will be refunded to the client.

After the plan has been presented, both Safran and the client have the option to terminate the relationship after providing 30 days written notice. Upon termination, Safran will be paid prorated fees earned from the end of the previous quarter through the date of termination.

## **Financial Planning Engagement**

Safran Wealth Advisors can provide targeted financial planning services for clients who need advice on a limited scope. The fees for limited scope engagements generally range from \$4,000 to \$10,000 based on an hourly rate of \$350. Clients have the flexibility of having this fee deducted from their accounts, or may opt to pay this fee directly by check. After an initial 50% deposit, ongoing client work is billed in arrears.

## **Other Fees**

All fees paid to Safran Wealth Advisors for investment advisory and financial planning services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders.

All mutual funds have expenses but not all mutual funds have sales charges, also known as commissions. We do not accept commission based compensation of any nature, nor do we accept 12b-1 fees.

Whenever possible we select institutional class mutual funds which have low annual expense ratios. Mutual fund expenses include management fees, as well as transaction costs and opportunity costs, which are not disclosed in the fund's prospectus or Statement of Additional Information, but which may be estimated.

In addition to the above, custodians and broker-dealers may charge transaction fees in connection with buying or selling of certain mutual funds, exchange-traded funds, stocks or bonds. Mutual fund and stock transaction fees charged by our recommended custodian can vary.

We believe our access to institutional mutual funds with low expense ratios provide a long term investment benefit to our clients. For further discussion concerning Safran's brokerage practices, please refer to Item 12 of this Disclosure Brochure.

## **Comparable Services**

Safran Wealth Advisors believes that the charges and fees offered within its program are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources.

A client could invest in mutual funds directly or buy other securities, without the services of Safran Wealth Advisors.

In that case, the client would not receive the services provided by Safran Wealth Advisors which are designed to help them achieve their financial life goals. Safran Wealth Advisors assists the client in determining which portfolio allocation is most appropriate for their financial condition and objectives, and helps them undertake a disciplined approach to portfolio rebalancing so the client can maintain a long term investment perspective.

Dimensional Funds Advisors mutual funds may not be available to the client directly without the use of an investment adviser granted access to such funds.

## **Item 6: Performance-Based Fees**

Safran Wealth Advisors fees are not based on a share of the capital gains or capital appreciation of managed securities. We do not use a performance-based fee structure.

Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client. This method of compensation creates a potential conflict of interest.

## **Item 7: Types of Clients**

### **Description**

Safran Wealth Advisors generally provides financial planning and investment advisory services, to individuals, trusts, estates, pension plans, and business entities.

Our client relationships vary in scope and our client relationships are longstanding.

Wealth Management Services are available on a fixed retainer schedule with deposit amount noted in the initial client agreement signed by our clients.

### **Account Minimums**

Our minimum fee to establish a Wealth Management relationship with a client is \$10,000.

Each client will be required to sign a Wealth Management Agreement with Safran that sets forth the terms and conditions of their relationship with Safran.

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

Safran Wealth Advisors provides the investment strategy and its implementation for all clients, utilizing a variety of securities or pooled investment vehicles (such as mutual funds).

Clients receive the benefit of Safran Wealth Advisors' investment philosophies and strategies, research and due diligence, account monitoring, and personal financial planning recommendations.

Specific no-load (no commissions, mutual funds and other investment products and securities are then recommended to clients. Clients' portfolios are then periodically monitored, and changes to investment portfolios are suggested when appropriate.

## **Methods of Analyses and Investment Strategies**

In designing investment portfolios for our clients, Safran Wealth Advisors relies upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management planning, short-term and long-term lifetime financial goals and objectives, investment time horizon, and perceived current tolerance for risk.

This information becomes the basis for the asset allocation plan which is developed to meet the client's stated long term personal financial goals. The investment advice which Safran Wealth Advisors provides is based upon long-term investment strategies which incorporate the principles of Modern Portfolio Theory. The strategic asset allocation provides for investments in those asset classes which we believe (based on historical data and analysis) will possess attractive combinations of return, risk, and correlation over the long term.

Academic research reveals that strategic asset allocation is determinative of the majority of the expected long-term gross returns of investor's portfolios.

We utilize several different asset classes as part of an investor's portfolio, as this has been shown to usually reduce portfolio volatility (*i.e.*, the standard deviation of the portfolio returns) over long periods of time. The portfolio assets are diversified among various asset classes and then among individual investments, following the investment policy agreed to by the client.

## **Investment Approach**

Our investment approach is based on the belief that markets are fairly efficient (although not always rational) and that investors' gross returns are mainly impacted by asset allocation decisions. We focus on developing and implementing globally diversified portfolios, principally through the use of low-cost and tax- mutual funds that are generally available only to institutional investors and clients of advisers granted access to such funds.

Investment portfolio allocations to equities, fixed income investments, and other asset classes are based upon each client's needs and desires, perceived risk tolerance and the need to assume various risks, and investment time horizon.

The portfolios of clients may then follow models to fit the overall weightings of in an investor's portfolio. The investment portfolio's strategic asset class allocation is customized to meet the specific circumstances of a client, the presence of investments in 401(k) or other accounts, as well as a perception of the client's understanding of the fundamental forces affecting risk and return in the capital markets.

## **Methods of Analysis: Sources of Information**

Our security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, due diligence reviews, and specific investment analyses that clients may request. The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals. Prospectuses, statements of additional information, other issuer prepared information, and data aggregation services (Morningstar Advisor, etc.) are also utilized.

Research is also received by attending financial conferences and from consultants, including financial economists affiliated with Dimensional Funds Advisors (DFA) and other firms. DFA provides historical market analysis, risk/return analysis, and continuing education services. Various computer software programs from DFA and from other third parties may also be used to better model the historical and/or expected returns of designed portfolios.

## **Types of Investments**

Each client typically receives an investment portfolio which consists mainly of no-load stock and bond mutual funds.

Some investment portfolios include individual fixed income investments such as bonds and C.D.'s. For clients with a substantial fixed income allocation, we recommend a combination of bond funds and individual fixed income investments

Client portfolios may also include some individual equity securities, but these are generally part of clients' investment holdings prior to becoming a client of Safran Wealth Advisors.

Publicly traded real estate investment trusts (REITS) and commodities index or passive mutual funds or ETFs may be recommended as part of overall asset allocation strategy.

New clients' existing investments are evaluated in light of the desired investment policy objectives. We work with new clients to develop a plan to transition from a client's existing portfolio to the desired portfolio.

Each client's portfolio holdings and strategic asset allocation are then monitored periodically, taking into account the cash flow needs of the client. Review meetings with clients are held regarding their investment assets under advisement and other personal financial planning issues.

## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Maintaining a diversified portfolio can reduce the overall volatility in a portfolio. However all investors are subject to the following investment risks

### **Market Risk:**

The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's fundamentals. For example, political, economic and social conditions may trigger market events.

### **Inflation Risk:**

Also referred to as purchasing power risk, since inflation decrease the amounts of future goods and services an individual can buy.

### **Currency Risk:**

Foreign investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

### **Reinvestment Risk:**

This is the risk that future proceeds from investments may have to be reinvested at potentially lower rates (i.e. interest rate). This primarily relates to fixed income securities.

### **Business Risk:**

These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

### **Liquidity Risk:**

Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

### **Financial Risk:**

Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

### **Legal and Disciplinary**

The firm and its employees have not been involved in material legal or disciplinary events related to past or present investment clients.

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

### **Relationships with Investment Product Providers**

Following a stringent interview process, Safran Wealth Advisors was granted access by Dimensional Funds Advisors (DFA) to its mutual funds. While the firm does not believe that there exists a conflict of interest between it and DFA, some people may perceive that such a conflict exists. This is because with access to the DFA mutual funds, Safran receives certain benefits from DFA that may have an economic value which Safran would not otherwise receive if it did not allocate client any client assets using DFA mutual funds. These benefits include:

- (a) attendance at seminars hosted by DFA at which DFA investment products are explained, academic instruction is given on asset allocation strategies, and financial planning and practice management instruction is given. Safran pays all of the travel and hotel costs for Safran personnel attending these seminars. However DFA provides, at no charge to Safran and the other attendees at such seminars, the speakers and facilities for the seminar, occasional luncheons or dinners, and the materials handed out at the seminar;
- (b) access to the "financial advisor" portion of the DFA web site ([www.dfaus.com](http://www.dfaus.com)), which contains additional academic research, practice management articles, newsletters, educational video presentations, software, and investment returns data;
- (c) use of the DFA Returns and DFA Allocation Evaluator software programs and accompanying data, which can be utilized to ascertain how different asset classes (as represented by various indices) and different DFA mutual funds have performed over time and which provide a method for calculation based upon historical results of rate of return and standard deviation for those asset classes and mutual funds;
- (d) various print materials (including article reprints and DFA brochures);
- (e) occasional practice management conferences and telephone conferences with DFA team members, including Regional Directors, research staff, and tax staff, to discuss specific issues relating to academic research relating to investment theory and/or relating to practice development (marketing) and management issues;
- f) participation in a regional study group sponsored and hosted by DFA; and other services and benefits Safran believes that it has addressed any perceived conflict of interest.

First, DFA does not pay any direct monetary compensation to Safran in connection with Safran's use of DFA mutual funds for Safran clients. Next, Safran does not have any exclusive relationship with DFA, and is under no obligation to recommend any DFA mutual fund to any Safran client.

Safran may recommend DFA mutual funds or mutual funds of other companies or any other investment products. Lastly, Safran will only recommend a DFA mutual fund where Safran believes that such recommendation is consistent with the client's investment objectives and/or financial situation.

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

### **Our Code of Ethics**

Safran Wealth Advisors has adopted a Code of Ethics adopted by the Certified Financial Planner Board of Standards, to which all investment advisor representatives and employees are bound to adhere. The key component of our Code of Ethics states:

Safran Wealth Advisors and its employees owe a duty of loyalty, fairness and good faith towards their clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

### **Integrity**

Our employees shall act with integrity and dignity when dealing with clients, prospects, and members of our community.

### **Objectivity**

Our employees will be objective in providing professional services to client and act in the best interest of each and every client.

### **Competence**

Our employees will strive to maintain and continually enhance a high degree of professional education.

### **Fairness**

Our employees will provide professional services in a manner that is fair and reasonable to clients and employees, and disclose conflict of interest in providing such services.

### **Confidentiality**

Our employees shall not disclose any confidential client information without the specific consent of the client unless in response to proper legal process.

### **Professionalism**

Our employees will conduct themselves in a professional manner

### **Diligence**

Our employees shall act diligently in providing professional services.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.



## **Participation or Interest in Client Transactions and Personal Trading**

Safran Wealth Advisors does not currently participate in securities in which it has a material financial interest. As a matter of policy, we do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest.

Safran Wealth Advisors Code of Ethics provides that individuals associated with our firm may buy or sell securities for their personal accounts identical to or different from those recommended to clients. These investment activities may present a conflict of interest in the sense that it is remotely possible that Safran's personnel may benefit financially from a transaction effected for a client account, although the volume of such securities transactions have not and do not rise to the level where any transaction in the account of such person has any appreciable impact on the market value of a security. In addition, it is the expressed policy of our firms that no person employed by the firms shall prefer his or her own interest to that of an advisory client nor make personal investment decisions based on investment decisions of advisory clients.

An advisor may not recommend any securities transactions for a client without informing the client of their interest in the security. If an advisor owns the security, plans on buying or selling the security in the future, or has a relationship with the issuer of the security, it is disclosed to the client.

The Code of Ethics further includes our firms' policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

As Chief Compliance Officer, Erika Safran reviews all trades. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

## **Item 12: Brokerage Practices**

### **Use of Brokerage Firms (Custodians)**

Safran has custodial and brokerage relationship with Charles Schwab & Co. through its Schwab Institutional Services to investment advisors. This relationship provides us with access to institutional trading and custody services which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis and at no charge to them. However, not all independent investment advisors recommend their clients to utilize particular custodians.

Clients are permitted to direct Safran to utilize their desired brokers. However, if such brokers are utilized, Safran may not have access to certain mutual funds that are generally available only to institutional investors or which would require a significantly higher minimum initial investment. In addition, commission rates paid or transaction fees paid may be higher than the fees negotiated by Safran. . A client's direction of brokerage can limit or eliminate Safran ability to negotiate commissions (which could result in higher commission costs) and otherwise obtain most favorable execution of client transactions. In addition, and if the situation were to arise, Safran may be unable to aggregate orders to reduce transaction costs.

In the event that Safran Wealth Advisors agrees to use a particular broker-dealer directed by a client to execute some or all transactions for the client's account, the client will negotiate terms and arrangements for the account with that broker-dealer, and Safran will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or incur greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In other words, directing brokerage may cost a client more money.

### **Best Execution**

Erika Safran reviews the execution of trades at each custodian each quarter. Trading fees charged by the custodians is also reviewed on a quarterly basis. Safran Wealth Advisors does not receive any portion of the trading fees.

## **Discussion of Benefits to Safran Wealth Advisors**

The benefits provided by Charles Schwab & Co. Advisor Services include assistance with practice management and assistance with the management of client accounts, including but not limited to:

- (a) receipt of duplicate client confirmations;
- (b) receipt of electronic duplicate statements;
- (c) access to a trading desk serving investment advisers exclusively, and providing research, pricing information, and other market data;
- (d) access to the investment advisor portion of their web sites which includes practice management articles, compliance updates, and other financial planning related information and research materials;
- (e) access to other vendors on a discounted fee basis through discounts arranged by the custodians;
- (f) permitting Safran Wealth Advisors to access an electronic communication network for client order entry and to access clients' account information which may assist SWA with its back-office functions, including recordkeeping and client reporting;
- (g) conferences at which advisors and employees of our firms may attend (with no registration fees) and receive education on issues such as practice management, marketing, investment theory, financial planning, business succession, regulatory compliance, and information technology.
- (h) Participation in the custodians programs also provides access to certain mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors, such as the mutual funds of Dimensional Funds Advisors.

Over the past year, we received those benefits listed above. When we receive any benefits from the custodian of the client's account, or from the broker-dealer executing client securities transactions, Safran receives an additional benefit because it does not have to produce or pay for the benefits that it receives from the custodian or broker-dealer. We have an incentive to select or recommend a broker-dealer based on our interest in receiving the benefits, rather than on our client's interest in receiving most favorable execution. Nonetheless, any benefit we receive may be used to service all of our clients' accounts.

## **Trade Aggregation**

Most of the trades are for mutual fund where trade aggregation does not garner any client benefit. When a security listed on a stock exchange, such as an Exchange Traded Fund is bought or sold for multiple accounts on the same day, Safran will place a block order so that all clients receive the same execution price. There are no additional benefits such as volume discounts or reduced execution costs.

## **Item 13: Review of Accounts**

### **Periodic Reviews**

The advisor assigned to the client reviews Safran Wealth Advisors account on an ongoing basis throughout the year. Erika Safran, CFP is responsible for all account reviews at this time.

### **Review Triggers**

Other conditions that may trigger a review are changes in tax law changes, material market, economic, and political events, and changes in a client's own situation.

### **Regular Reports**

All clients receive periodic communications on at least a semi-annual basis.

Wealth management clients receive quarterly reports tracking their portfolios performances. At year end Safran Wealth Advisors prepares tax reporting documents for clients to provide to their accountant. In addition, clients receive periodic financial planning updates.

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

Our primary sources of referrals are from our current clients, and our professional relationships with attorneys, accountants. We also receive referrals from friends and other members of our community. The firm does not compensate referring parties for these referrals.

In cases where we help our clients select their other professional advisors we may refer tax, insurance, legal and other specialists. We provide the referral as a courtesy to our clients and do not accept any referral fees or any form of remunerations from the professionals we refer.

In addition, please see the discussion in this Disclosure Brochure under Item 10 relative to benefits Safran may receive in connection with the use of DFA mutual funds, and the discussion in this Disclosure Brochure under Item 12 ("Discussion of Benefits to Safran Wealth Advisors") concerning benefits received by Safran from the broker-dealer/custodian in connection with execution of client securities transactions.

### **Non-Participation in Client Referral Programs of Custodians**

Safran Wealth Advisors does not participate in client referral programs sponsored by custodians.

## **Item 15: Custody**

### **Account Statements**

Safran Wealth Advisors does not custody client assets. All assets are held at Charles Schwab Advisor Services, or other qualified custodians, who provide account statements directly to clients at their address of record.

### **Performance Reports**

Our clients are urged to compare the account statements they receive directly from their custodians to the performance report statements provided by our firm.

### **Other Statements**

As part of the wealth management process, Safran Wealth Advisors generates net worth statement and to clients. These statements contain approximations of client assets, as well as estimated values of real estate and tangible assets. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## **Item 16: Investment Discretion**

### **Discretionary Authority for Trading**

Safran Wealth Advisors provides investment management on a discretionary or non discretionary basis to manage securities portfolios on behalf of clients. Upon signing client agreement, the client can opt to have their portfolio managed on a discretionary basis giving the firm authority to buy or sell securities on client's behalf in order to meet their investment objectives.

Each client may request reasonable limitations be placed on Safran's discretionary authority, such as securities or market sector based limitations. Any such limitations shall be presented to Safran in writing, and Safran will review any such requests on a case-by-case basis.

## **Item 17: Voting Client Securities**

### **Proxy Votes**

Safran Wealth Advisors does not have responsibility to vote proxies on client owned securities. Our clients' custodians are instructed to forward the client copies of all proxies and shareholders communication relating to the assets. Client are welcome to contact us with questions regarding information in the proxy, however we do not offer advice on how our clients should vote.

## **Item 18: Financial Information**

### **Financial Condition that is reasonably likely to impair the ability of the firm to meet contractual commitments to clients.**

The firm would not be able to meet its contractual commitments to clients if all firm personnel were to die simultaneously or within a period of time of short duration. Under such circumstances, each client should contact his or her account custodian.

A balance sheet is not required to be provided because Safran Wealth Advisors does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

### **Business Continuity Plan**

Safran Wealth Advisors has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

#### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

#### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **Information Security Program**

#### **Information Security**

Safran Wealth Advisors maintains an information security program to reduce the risk that your personal and confidential information may be breached.

## Privacy Notice

Safran Wealth Advisors is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

## **Education and Business Standards**

Safran Wealth Advisors requires that all Investment Advisor Representatives are required to have suitable experience in fields directly related to financial planning and investment management.

Each Investment Advisory Representative must be a Certified Financial Planner™ or be a candidate for the CFP® designation. Each must also have the required examinations and/or qualifications to act as such representative as required by law.

## **Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

## **Erika Safran, CFP**

Date of birth: 1957

- SUNY at Buffalo – Bachelor Of Science
- Certified Financial Planner (CFP™)

Business Experience:

1992 – 2009 Financial Asset Management Corp.

Position: Vice President

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None



