

Item 1: Cover Page

**Part 2A of Form ADV
Firm Brochure**

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U.S. Financial Advisors, LLC

SEC File No. 801-55953

30 Braintree Hill Office Park, Suite 201
Braintree, MA 02184

phone: 781-849-9200

email: compliance@uswealthmanagement.com

website: www.uswealthmanagement.com

This brochure provides information about the qualifications and business practices of U.S. Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact John Napolitano at 781-849-9200 or compliance@uswealthmanagement.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. Registration with the Securities and Exchange Commission or any state regulatory authority does not imply a certain level of skill or expertise.

Additional information about U.S. Financial Advisors, LLC, is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4: Advisory Business

A. Description of Your Advisory Firm

U.S. Financial Advisors, LLC (referred to throughout this document as "U.S. Financial Advisors," "USFA", the "firm", "us," and/or "we"), is an investment adviser registered with the United States Securities and Exchange Commission ("SEC") and is a limited liability company formed under the laws of the State of Delaware. USFA has been registered as an investment adviser since October 1998. USFA is owned and controlled by John Napolitano through the firm's parent company, U.S. Wealth Management, LLC. There are other members of U.S. Wealth Management, LLC; however, Mr. Napolitano is the only member with more than 25% control.

Certain investment advisory representatives of USFA have chosen not to carry their individual broker-dealer licenses and brand themselves solely as an investment advisor representative of U.S. Financial Advisors, LLC, d/b/a as U.S. Wealth Advisors ("USWA"). Details on whether or not a specific investment advisor representative is dually licensed can be found in their respective Part 2B Brochure Supplement.

B. Description of Advisory Services Offered

USFA provides fee-based investment advisory and financial planning services to various types of clients, including individuals and high-net-worth individuals (which include trusts and estates), and pension and profit sharing plans. The nature and extent of the specific services provided to clients will always depend on each client's financial status, objectives and needs, time horizons, concerns, expectations, and risk tolerance.

B.1. Discretionary & Non-Discretionary Asset Management Services

For its discretionary asset management services, USFA receives a limited power of attorney to effect securities transactions on behalf of its clients. Clients may grant USFA limited discretionary authority with respect to advisory client assets, including discretion to select third-party managers on behalf of such USFA advisory clients. Investment advisory services may be provided on a non-discretionary basis, depending on the agreement between the client and USFA. USFA recommends securities transactions to its clients that include securities and strategies as described in Item 8 of this Brochure.

In preparing the asset allocation, USFA will complete a Risk Tolerance Questionnaire with the client to analyze each client's current investments, investment objectives, goals, age, time horizon, financial circumstances, investment experience, investment restrictions and limitations, and risk tolerance to make appropriate asset allocation recommendations and implementation decisions. USFA may engage third-party service providers to assist with the tax and estate planning portion of the services provided to clients. In addition, USFA may utilize third-party software to analyze individual security holdings and separate account managers utilized within the client's portfolio. USFA will monitor those portfolios and make additional recommendations from time to time to rebalance and/or reallocate each client's investments.

USFA's investment advisory services to clients are either based on asset allocation models or are customized to the individual clients' personal and financial circumstances that take into account a client's personal financial circumstances, investment objectives, and tolerance for risk (e.g., cash-flow, tax, and estate). USFA's engagement with a client will include, as appropriate, the following:

- Providing assistance in reviewing the client's current investment portfolio against the client's personal and financial circumstances as disclosed to USFA in response to a questionnaire and/or in discussions with the client and reviewed in meetings with USFA.
- Analyzing the client's financial circumstances, investment holdings and strategy, and goals.
- Providing assistance in identifying a targeted asset allocation and portfolio design.
- Implementing and/or recommending securities and strategies as described in Item 8 of this Brochure, each matched to the asset categories in the client's targeted asset allocation for consideration by the client.
- Reporting to the client at an agreed-upon interval, but no less frequently than annually, information on contributions and withdrawals in the client's investment portfolio.
- Proposing changes in the client's targeted asset allocation in consideration of changes in the client's personal circumstances, investment objectives and tolerance for risk, the performance record of any of the client's investments, and/or the performance of any fund or manager retained by the client.

In addition to providing USFA with information regarding their personal financial circumstances, investment objectives, and tolerance for risk, clients are required to provide USFA with any reasonable investment restrictions that should be imposed on the management of their portfolio and to promptly notify USFA of any changes in such restrictions or in the client's personal financial circumstances, investment objectives, goals, and tolerance for risk. On a quarterly basis, USFA's reports to clients will remind clients of their obligation to inform USFA of any such changes or any restrictions that should be imposed on the management of their accounts. USFA will also contact clients at least annually to determine whether there have been any changes in their personal financial circumstances, investment objectives, and tolerance for risk.

B.2. Truro Asset Management Program

USFA also offers the Truro Asset Management Program ("Truro"). Each investment strategy, which is described in Item 8 of this Brochure, consists of investments specifically selected in order to achieve that particular strategy's investment objective. The client's assets are invested in a manner consistent with the investment strategy chosen; however, specific client portfolios may deviate from Truro's investment strategies due to a number of factors, which may include inception date of the account, tax considerations, liquidity needs, and other circumstances specific to the client.

B.3. Investment Consulting Services

USFA provides investment consulting services in the form of oral advice and written recommendations. These services are somewhat similar to investment management services, except that USFA does not implement any recommendations nor does USFA have a continuing obligation to monitor these recommendation or holdings beyond the date of the consultation. Clients signing up for this service must understand that the firm does not provide ongoing reviews of accounts through this service and information about such accounts is limited to information provided exclusively by the client. Clients have the sole discretion to accept or reject the firm's advice. The client must implement any trades themselves in such accounts because the firm will have no access to client accounts.

Segmented Plans and Hourly Consultations: Segmented financial planning engagements are frequently single topic or single goal minded. These are not comprehensive and not designed to be integrated with all of the client's other financial matters. Common segmented engagements include investment reviews, retirement readiness reviews, risk reviews, estate planning, retirement planning, business planning, education planning, social security planning, a review of an existing investment portfolio, or other specific topic. USFA also provides specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, USFA provides advice on non-securities matters, generally in connection with the rendering of estate planning, insurance, retirement planning, and/or annuity advice. As many individuals of USFA may be registered as representatives of a broker-dealer and as insurance agents/brokers of various insurance companies, implementation of proposals could be limited to only those products for which the individuals are licensed.

Personal Financial Checkup: USFA may offer investment advisory consulting services to clients in the form of a personal financial "checkup." The financial checkup is a brief review of the client's entire financial situation, with an objective of recognizing issues with cash flow, risk management plan, investment plan, retirement plan, or estate plan that may need attention or warrant further review by the client or some other professional. The purpose of the personal financial checkup is to provide a general overview and analysis of the client's current financial circumstance and is not intended to be a comprehensive financial plan. Should more comprehensive financial planning be suggested and agreed to by the client during the course of the personal financial checkup, the client will enter into a separate agreement with USFA to provide any additional or more extensive personal financial consulting services or a comprehensive financial plan.

Qualified Plan Review: USFA may offer investment advisory consulting services to retirement plans including pension, profit sharing, and 401(k) plans in the form of a qualified plan review. As part of the qualified plan review, USFA may provide advice to qualified plan sponsors in the form of a review of the plan document, plan limitations, contribution allocations, investment policy statements, employee notifications, and compliance procedures. USFA may consult with the plan sponsor to determine the plan's investment needs and goals and may assist the plan sponsor with developing an investment policy statement. USFA may review various investments to determine whether the current investment options are appropriate to implement the plan's investment policy statement. For pension, profit sharing, and 401(k) plan clients where there are

individual accounts with participants exercising control over assets in their own accounts ("self-directed plans"), USFA may also provide educational support and workshops designed for the plan participants. The nature of the topics to be covered will be determined by USFA and the client under the guidelines established by ERISA Section 404(c).

B.4. Comprehensive Financial Planning Services

Comprehensive financial planning involves the review of the client's cash flow and expenses, risk management plan, investment plan, retirement plan, and estate plan with an objective of evaluating alternative strategies integrated with other areas of the client's financial life to help the client make decisions helpful toward his or her stated goals. Comprehensive financial planning engagements will integrate with other professionals and frequently involve matters of family governance and business continuity or succession planning.

Clients purchasing this service will receive a written financial plan providing a detailed plan designed to achieve the client's stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information, identification and qualification of financial goals.
- Taxes and Cash Flow: Income tax forecasts and planning, estate tax projections, spending analysis, and planning for past, current, or future years. USFA may illustrate the impact of various investments or anticipated life or financial events on a client's current income tax and future tax liability.
- Risk Management, Death and Disability: Cash needs at death, income needs of surviving dependents, estate planning, disability income analysis, life insurance analysis, long-term care analysis, and a general risk assessment.
- Retirement Planning: Analysis of current strategies and investment plans to help the client achieve his/her retirement goals.
- Investment Management: Analysis of client's current portfolio and investment alternatives.

USFA gathers information through in-depth personal interviews. Information gathered includes the client's current financial status, future goals, and attitude toward risk. Related documents supplied by the client are carefully reviewed and a written report is prepared. Should the client choose to implement the recommendations contained in the plan, USFA provides proposals to implement solutions by offering investment and insurance products. Implementation of financial plan recommendations is entirely at the client's discretion.

B.5. Recommendation of Separate Account Managers

USFA may refer clients to affiliated or unaffiliated separate account managers to manage all or a portion of the client's investment portfolio. In this regard, USFA provides advice with respect to the retention of separate account managers as it relates to the client's individual financial circumstances, risk tolerance, and investment objectives. Upon selection of a separate account

manager, the client will receive such account manager's Form ADV Part 2A and 2B brochures with their specific disclosure information.

C. Client-Tailored Services and Client-Imposed Restrictions

Each client's account will be managed on the basis of the client's financial situation and investment objectives, and in accordance with any reasonable restrictions imposed by the client on the management of the account—for example, restricting the type or amount of security to be purchased in the portfolio.

Absent any client direction, USFA generally does not develop customized portfolio holdings for the client. Clients select a category of risk based on an assessment of their individual risk tolerance and investment objectives, to which one or more model portfolios and strategies are then correlated. Clients may, however, impose reasonable restrictions on the management of their accounts—for example, restricting the type or amount of security to be purchased in the portfolio.

D. Wrap Fee Programs

USFA sponsors and offers a wrap fee program. In addition, USFA may recommend third-party wrap fee programs. Please refer to the applicable wrap fee program disclosure documents for more detailed information on services, fees, investment strategies, conflicts of interest, and related information.

E. Client Assets Under Management

As of December 31, 2014, USFA manages \$317,144,279 of client assets on a discretionary basis, and \$1,171,846 of client assets on a non-discretionary basis.

Item 5: Fees and Compensation

A. Methods of Compensation and Fee Schedule

A.1. Asset-Based Fee Schedule

The annual fee for services provided by USFA will be charged as a percentage of assets under supervision. The fees will be computed in the following manner and charged quarterly in advance:

Basis point charge X market value of assets X actual number of days/365 days

USFA's asset-based fee schedule for accounts is detailed below, and may vary by client.

<u>Asset Tier</u>	<u>Maximum Annual Fee (%)</u>
\$0 – \$500,000	1.70%
\$500,001 – \$1,000,000	1.55%
\$1,000,001 – \$2,000,000	1.40%
Over \$2,000,000	1.325%

Truro Model Portfolios: For clients who have their assets managed under one of the Truro-branded model portfolios, the fee schedules are as follows:

Truro Active Model Portfolios

<u>Assets Under Management</u>	<u>Annual Fee</u>
All Assets	0.55%

Truro Tactical Model Portfolios

<u>Assets Under Management</u>	<u>Annual Fee</u>
All Assets	0.95%

Fees are negotiable. USFA generally requires a minimum account value of \$100,000 for accounts it manages on a discretionary basis. Prospective clients may find comparable services at more favorable pricing elsewhere. Separate account managers may have different minimum portfolio size requirements; please review the applicable separate account manager's ADV Part 2A. In the case of USFA-advised assets, USFA, in its sole discretion, may waive the required minimum.

Asset-based fees are always subject to the investment advisory agreement between the client and USFA. Such fees are generally payable quarterly in advance. The client and the client's custodian or broker-dealer will be invoiced at the beginning of each calendar quarter, based upon the market value (market value plus any credit balance or minus any debit balance) of the client's account at the end of the previous quarter, as mutually agreed upon by the client and USFA. The fees will be prorated if the investment advisory relationship commences otherwise than at the beginning of a calendar quarter. Fees will be adjusted for significant contributions to a client's portfolio; no adjustments will be made for withdrawals.

A client investment advisory agreement may be canceled at any time by the client, or by USFA with 30 days' prior written notice to the client or USFA. Upon termination of any account, any unearned, prepaid fees will be promptly refunded. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

A.2. Financial Planning and Consulting Fees - Hourly or Fixed

USFA charges a fixed fee for a comprehensive financial plan. Fixed fees are computed based upon a good faith estimate of hours required to perform services. The fee is negotiable and typically ranges from \$1,000-\$75,000 or more, depending on the nature and complexity of each client's circumstance. The fixed fee is payable in advance of services performed.

A financial plan or additional investment advisory consulting services may be included in the fixed fee charged for the financial plan, charged as a separate fixed fee, or otherwise charged on an hourly basis. Hourly rates will be negotiable depending upon the complexity, nature, and length of a particular matter and the particular person providing the advice, and typically range between \$150 and \$500 per hour and agreed upon in advance with the client and USFA. A comprehensive financial plan, with or without additional investment advisory consulting, will be completed within 180 days of entering into an investment advisory consulting agreement, provided that all information needed to complete such services have been provided by the client. USFA will not accept payment in advance for consultations where the completion of the engagement will extend beyond six months.

B. Client Payment of Fees

B.1. Asset-Based Fees

USFA will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

If the client's account is managed by a separate account manager, such manager will generally require that any fees be paid on a quarterly basis, in advance, directly from the client's account with the custodian of the portfolio assets.

B.2. Financial Planning Fees

Invoices will be mailed out upon the client and USFA signing a financial planning contract when requested. In most instances the signed financial planning agreement serves as the invoice. Unless otherwise arranged, all financial planning engagement fees are due in advance. A financial planning agreement may be terminated by either party for any reason upon receipt of written notice. Clients seeking to terminate this service must do so in writing. Upon termination any unearned prepaid fees will be promptly refunded.

C. Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, separate account managers, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian retained by the client. If a mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using USFA may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian. Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. Prepayment of Client Fees

D.1. Asset-Based Fees

USFA requires the prepayment of fees for all of its investment advisory services, subject to the terms of the investment advisory agreement. The custodian will deliver directly to the client an account statement, at least monthly, showing all investment and transaction activity for the period, including fee disbursements from the account.

A client investment advisory agreement may be canceled at any time by the client, or by USFA with 30 days' prior written notice to the client. If the agreement terminates other than at the end of a calendar quarter or month as applicable, USFA will promptly refund all unearned, prepaid fees to the client. Fees will be adjusted for significant contributions to a client's portfolio; no adjustments will be made for withdrawals.

The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

D.2. Financial Planning Fees

USFA does require prepayment of financial planning fees. Financial planning fees are billed in advance based upon the scope of the engagement. Clients seeking to terminate this service must do so in writing.

USFA will not accept payment in advance for consultations where the completion of the engagement will extend beyond six months.

A financial planning agreement may be terminated by either party for any reason upon receipt of written notice within five days of the effective date of the contract. Upon termination of any contract, all unearned, prepaid fees will be promptly refunded and any earned, unpaid fees will be due and payable.

E. External Compensation for the Sale of Securities to Clients

USFA's advisory professionals are compensated primarily through a revenue sharing arrangement with USFA. USFA's advisory professionals may be paid sales, service or administrative fees for the sale of mutual funds or other investment products. USFA's advisory professionals may receive commission-based compensation for the sale of securities and insurance products. Please see Item 10.C. for detailed information and conflicts of interest.

Item 6: Performance-Based Fees and Side-by-Side Management

USFA does not charge performance-based fees and therefore has no economic incentive to manage clients' portfolios in any way other than what is in their best interests.

Item 7: Types of Clients

USFA generally provides investment advice to individuals and high-net-worth individuals (which include trusts and estates), and pension and profit sharing plans.

USFA generally requires a minimum account value of \$100,000 for accounts it manages on a discretionary basis. Prospective clients may find comparable services at more favorable pricing elsewhere. Separate account managers may have different minimum portfolio size requirements; please review the applicable separate account manager's ADV Part 2A. In the case of USFA-supervised assets, USFA, in its sole discretion, may waive the required minimum.

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

A. Methods of Analysis and Investment Strategies

USFA uses a variety of sources of data to conduct its economic, investment and market analysis, such as financial newspapers and magazines, economic and market research materials prepared by others, conference calls hosted by mutual funds, corporate rating services, annual reports, prospectuses, and company press releases. It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

USFA and its investment adviser representatives are responsible for identifying and implementing the methods of analysis used in formulating investment recommendations to clients. The methods of analysis may include quantitative methods for optimizing client portfolios, computer-based risk/return analysis, technical analysis, and statistical and/or computer models utilizing long-term economic criteria.

- Optimization involves the use of mathematical algorithms to determine the appropriate mix of assets given the firm's current capital market rate assessment and a particular client's risk tolerance.
- Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.
- Technical analysis involves charting price and volume data as reported by the exchange where the security is traded to look for price trends.
- Computer models may be used to attempt the future value of a security based on assumptions of various data categories such as earnings, cash flow, profit margins, sales, and a variety of other company specific metrics.

In addition, USFA reviews research material prepared by others, as well as corporate filings, corporate rating services, and a variety of financial publications. USFA may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to clients.

A.1. Mutual Funds, Exchange-Traded Funds, Separate Account Managers, Individual Equity and Fixed Income Securities, Pooled Investment Vehicles

USFA may recommend (i) separate account managers to manage client assets, (ii) mutual funds and individual securities (including fixed income instruments), and (iii) pooled investment vehicles. Such investments may represent certain asset class styles, such as large-cap, mid-cap and small-cap value, growth and core; international and emerging markets; and alternative investments. USFA may also assist the client in selecting one or more appropriate manager(s) for all or a portion of the client's portfolio. Such managers typically manage assets for clients who commit to the manager a minimum amount of assets established by that manager—a factor that USFA will take into account when recommending managers to clients.

A description of the criteria to be used in formulating an investment recommendation for mutual funds, exchange-traded funds, individual securities (including fixed-income securities), managers, and pooled investment vehicles is set forth below.

USFA has formed relationships with third-party vendors that provide a technological platform for separate account management and perform due diligence monitoring of mutual funds, managers, and pooled investment vehicles that perform billing and certain other administrative tasks. USFA may utilize additional independent third parties to assist it in recommending and monitoring individual securities, mutual funds, managers, and pooled investment vehicles to clients as appropriate under the circumstances.

USFA reviews certain quantitative and qualitative criteria related to mutual funds and managers and to formulate investment recommendations to its clients. Quantitative criteria may include:

- the performance history of a mutual fund or manager evaluated against that of its peers and other benchmarks
- an analysis of risk-adjusted returns
- an analysis of the manager's contribution to the investment return (e.g., manager's alpha), standard deviation of returns over specific time periods, sector and style analysis
- the fund, sub-advisor, or manager's fee structure
- the relevant portfolio manager's tenure

Qualitative criteria used in recommending mutual funds or managers include the investment objectives and/or management style and philosophy of a mutual fund or manager, a mutual fund or manager's consistency of investment style, and employee turnover and efficiency and capacity. USFA may discuss relevant quantitative and qualitative factors pertaining to its recommendations with clients prior to their determination to retain a mutual fund or manager upon request of any client.

Quantitative and qualitative criteria related to mutual funds and managers are reviewed by USFA on a quarterly basis or such other interval as determined by USFA's investment committee. In addition, mutual funds or managers are reviewed to determine the extent to which their investments reflect efforts to time the market, or evidence style drift such that their portfolios no longer accurately reflect the particular asset category attributed to the mutual fund or manager by USFA (both of which are negative factors in implementing an asset allocation structure). Based on its review, USFA will make changes regarding the retention or discharge of a mutual fund or manager and act accordingly under our discretionary asset management agreement.

USFA may negotiate reduced account minimum balances and reduced fees with managers under various circumstances (e.g., for clients with minimum level of assets committed to the manager for specific periods of time, etc.). There can be no assurance that clients will receive any reduced account minimum balances or fees, or that all clients, even if apparently similarly situated, will receive any reduced account minimum balances or fees available to some other clients. Also, account minimum balances and fees may significantly differ between clients. Each client's individual needs and circumstances will determine portfolio weighting, which can have an impact on fees given the mutual funds or managers utilized. USFA will endeavor to obtain

equal treatment for its clients with mutual funds or managers, but cannot assure equal treatment.

USFA, for asset-based fee clients, will regularly review the activities of mutual funds and managers selected by USFA or the client. For financial planning clients, USFA will not undertake ongoing reviews unless specifically agreed to by the client and USFA. Clients that engage managers or invest in mutual funds should first review and understand the disclosure documents of those managers or mutual funds, which contain information relevant to such retention or investment, including information on the methodology used to analyze securities, investment strategies, fees, and conflicts of interest. Similarly, clients qualified to invest in pooled investment vehicles should review the private placement memoranda or other disclosure materials relating to such vehicles before making a decision to invest.

A.2. Material Risks of Investment Instruments

USFA typically invests in equity securities, corporate debt instruments, municipal fixed income instruments, government securities including asset-backed securities, and options on securities as detailed below:

- Equity securities
- Warrants and rights
- Mutual fund securities
- Exchange-traded funds
- Corporate debt securities, commercial paper, and certificates of deposit
- Municipal securities
- U.S. government securities
- Option contracts on securities
- Pooled Investment Vehicles
- Government and agency mortgage-backed securities
- Corporate debt obligations
- Mortgage-backed securities
- Collateralized obligations

A.2.a. Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

A.2.b. Warrants and Rights

Warrants are securities, typically issued with preferred stock or bonds, which give the holder the right to purchase a given number of shares of common stock at a specified price and time. The price of the warrant usually represents a premium over the applicable market value of the common stock at the time of the warrant's issuance. Warrants have no voting rights with respect to the common stock, receive no dividends and have no rights with respect to the assets of the issuer.

Investments in warrants and rights involve certain risks, including the possible lack of a liquid market for the resale of the warrants and rights, potential price fluctuations due to adverse market conditions or other factors, and failure of the price of the common stock to rise. If the warrant is not exercised within the specified time period, it becomes worthless.

A.2.c. Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification desired by USFA, and the type and amount of sector diversification within specific industries desired by USFA. In addition, mutual funds may be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

A.2.d. Exchange-Traded Funds ("ETFs")

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs[®], streetTRACKS[®], DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQsSM"), iShares[®] and VIPERs[®]. The funds or USFA could purchase an ETF to gain exposure to a portion of a particular market. The funds, as a shareholder of another investment company, will bear their pro rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employ the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

A.2.e. Corporate Debt, Commercial Paper, and Certificates of Deposit

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.

Commercial paper and certificates of deposit are generally considered safer instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank and the length of maturity. With respect to certificates of deposit, depending on the length of maturity there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity.

A.2.f. Municipal Securities

Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

A.2.g. U.S. Government Securities

U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings.

A.2.h. Options on Securities

A call option is a contract under which the purchaser of the call option, in return for a premium paid, has the right to buy the security (or index) underlying the option at a specified price at any time during the term of the option. The writer of the call option, who receives the premium, has the obligation upon exercise of the option to deliver the underlying security against payment of the exercise price. A put option gives its purchaser, in return for a premium, the right to sell the underlying security at a specified price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy, upon exercise of the option, the underlying security (or a cash amount equal to the value of the index) at the exercise price. The amount of a premium received or paid for an option is based upon certain factors, including the market price of the underlying security, the relationship of the exercise price to the market price, the historical price volatility of the underlying security, the option period and interest rates.

A.2.i. Pooled Investment Vehicles

A pooled investment vehicle, such as a commodity pool or investment company, is generally offered only to investors who meet specified suitability, net worth and annual income criteria. Pooled investment vehicles sell securities through private placements and thus are illiquid and subject to a variety of risks that are disclosed in each pooled investment vehicle's confidential private placement memorandum or disclosure document. Investors should read these documents carefully and consult with their professional advisors prior to committing investment dollars. Because many of the securities involved in pooled investment vehicles do not have transparent trading markets from which accurate and current pricing information can be derived, or in the case of private equity investments where portfolio security companies are privately held with no publicly traded market, the firm will be unable to monitor or verify the accuracy of such performance information.

A.2.j. Government and Agency Mortgage-Backed Securities

The principal issuers or guarantors of mortgage-backed securities are the Government National Mortgage Association ("GNMA"), Fannie Mae ("FNMA") and the Federal Home Loan Mortgage Corporation ("FHLMC"). GNMA, a wholly owned U.S. government corporation within the Department of Housing and Urban Development ("HUD"), creates pass-through securities from pools of government-guaranteed (Farmers' Home Administration, Federal Housing Authority or Veterans Administration) mortgages. The principal and interest on GNMA pass-through securities are backed by the full faith and credit of the U.S. government.

FNMA, which is a U.S. government-sponsored corporation owned entirely by private stockholders that is subject to regulation by the secretary of HUD, and FHLMC, a corporate instrumentality of the U.S. government, issue pass-through securities from pools of conventional and federally insured and/or guaranteed residential mortgages. FNMA guarantees full and timely payment of all interest and principal, and FHLMC guarantees timely payment of interest and ultimate collection of principal of its pass-through securities. Mortgage-backed securities from FNMA and FHLMC are *not* backed by the full faith and credit of the U.S. government.

A.2.k. Corporate Debt Obligations

Corporate debt obligations include corporate bonds, debentures, notes, commercial paper and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. In addition, USFA may invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

A.2.l. Mortgage-Backed Securities

Mortgage-backed securities represent interests in a pool of mortgage loans originated by lenders such as commercial banks, savings associations, and mortgage bankers and brokers.

Mortgage-backed securities may be issued by governmental or government-related entities, or by non-governmental entities such as special-purpose trusts created by commercial lenders.

Pools of mortgages consist of whole mortgage loans or participations in mortgage loans. The majority of these loans are made to purchasers of between one and four family homes. The terms and characteristics of the mortgage instruments are generally uniform within a pool but may vary among pools. For example, in addition to fixed-rate, fixed-term mortgages, USFA may purchase pools of adjustable-rate mortgages, growing equity mortgages, graduated payment mortgages and other types. Mortgage poolers apply qualification standards to lending institutions, which originate mortgages for the pools as well as credit standards and underwriting criteria for individual mortgages included in the pools. In addition, many mortgages included in pools are insured through private mortgage insurance companies.

Mortgage-backed securities differ from other forms of fixed income securities, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or on specified call dates. Most mortgage-backed securities, however, are pass-through securities, which means that investors receive payments consisting of a pro rata share of both principal and interest (less servicing and other fees), as well as unscheduled prepayments as loans in the underlying mortgage pool are paid off by the borrowers. Additional prepayments to holders of these securities are caused by prepayments resulting from the sale or foreclosure of the underlying property or refinancing of the underlying loans. As prepayment rates of individual pools of mortgage loans vary widely, it is not possible to accurately predict the average life of a particular mortgage-backed security. Although mortgage-backed securities are issued with stated maturities of up to 40 years, unscheduled or early payments of principal and interest on the mortgages may shorten considerably the securities' effective maturities.

A.2.m. Collateralized Obligations

Collateralized mortgage obligations ("CMOs") are collateralized by mortgage-backed securities issued by GNMA, FHLMC or FNMA ("mortgage assets"). CMOs are multiple-class debt obligations. Payments of principal and interest on the mortgage assets are passed through to the holders of the CMOs as they are received, although certain classes (often referred to as "tranches") of CMOs have priority over other classes with respect to the receipt of mortgage prepayments. Each tranche is issued at a specific or floating coupon rate and has a stated maturity or final distribution date. Interest is paid or accrues in all tranches on a monthly, quarterly or semi-annual basis. Payments of principal and interest on mortgage assets are commonly applied to the tranches in the order of their respective maturities or final distribution dates, so that generally no payment of principal will be made on any tranche until all other tranches with earlier stated maturity or distribution dates have been paid in full.

Collateralized debt obligations ("CDOs") include collateralized bond obligations ("CBOs"), collateralized loan obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust that is backed by a diversified pool of high-risk, below-investment-grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign

senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans.

B. Investment Strategy and Method of Analysis Material Risks

USFA's investment strategy is custom-tailored to the client's goals, investment objectives, risk tolerance, and personal and financial circumstances.

B.1. Model Portfolio Strategies

USFA offers several strategies when managing client accounts, which are branded under the name of "Truro." Each investment strategy consists of investments specifically selected in order to achieve that particular strategy's investment objective. The client's assets are invested in a manner consistent with the investment strategy chosen; however, specific client portfolios may deviate from USFA's investment strategies due to a number of factors, which may include inception date of the account, tax considerations, liquidity needs, and other circumstances specific to the client. Following is a description of each strategy:

Growth – Targeting real growth through capital appreciation with controlled volatility. The Truro Growth Strategy is typically utilized for clients who are very comfortable with volatility, are early to middle career, and do not intend to access their assets within the short to intermediate time frame.

Growth and Income – Targeting real growth through both capital appreciation and income with controlled volatility. The Truro Growth & Income Strategy is typically utilized for clients comfortable with volatility, are early to mid-career, and do not intend to access their assets within the short to intermediate time frame.

Balanced – Targeting real return through both capital appreciation and income with controlled volatility. The Truro Balanced Strategy is typically utilized for clients comfortable with a modest and controlled amount of volatility, are nearing retirement or are in retirement, and benefit from a modest level of cash flow from their portfolio.

Conservative – Targeting real return through both capital appreciation and income with low-volatility. The Truro Conservative Strategy is typically utilized for clients who are generally uncomfortable with volatility, are nearing retirement or are in retirement and may benefit from a modest level of cash flow from their portfolio.

Enhanced Income – Targeting a consistent and diversified income stream. The Truro Enhanced Income Strategy is typically utilized for clients that are in retirement and may benefit from a supplementary source of income.

Tactical – Including the US Tactical Growth Strategy, Global Tactical Growth Strategy, and the Global Tactical Balanced Strategy.

- **US Tactical Growth Strategy:** The Truro US Tactical Growth Strategy utilizes exchange-traded funds (ETFs) representing ten sectors of the Standard & Poor's 500 Index. It uses realized volatility measures exclusively to measure risk and guide allocation decisions. The strategy may have full exposure to the equity market risk, reduced exposure to

equity market risk, or no exposure to equity market risk. The strategy seeks to capture positive market performance while minimizing the capture of negative market performance. The strategy may trade as frequently as daily. Trading may be frequent in this strategy thereby causing increased costs due to trading and potential income tax costs associated with short-term gains. This strategy is exposed to equity market risk.

- *Global Tactical Growth Strategy:* The Truro Global Tactical Growth Strategy invests in a globally diversified basket of ETFs. It uses realized volatility measures exclusively to measure risk and guide asset allocation decisions. The strategy may have full exposure to equity market risk, reduced exposure to equity market risk, or no exposure to equity market risk. The strategy seeks to capture positive market performance while minimizing the capture of negative market performance. The strategy may trade as frequently as daily. Trading may be frequent in this strategy, thereby causing increased costs due to trading and potential income tax costs associated with short-term gains. This strategy is exposed to global equity market risk.
- *Global Tactical Balanced Strategy:* The Truro Global Tactical Balanced Strategy invests in a globally diversified basket of ETFs. It uses realized volatility measures exclusively to measure risk and guide asset allocation decisions. The strategy may have full exposure to equity and credit market risk, reduced exposure to equity and credit market risk, or no exposure to equity and credit market risk. The strategy seeks to capture positive market performance while minimizing the capture of negative market performance. The strategy may trade as frequently as daily. Trading may be frequent in this strategy, thereby causing increased costs due to trading and potential income tax costs associated with short-term gains. This strategy is exposed to global equity and credit market risk.

B.2. Leverage

Although USFA, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, USFA will utilize leverage. In this regard please review the following:

The use of leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment. The use of leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts have a minimum equity requirement when clients utilize leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral

securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

B.3. Short-Term Trading

USFA, as a general business practice, does utilize short-term trading. The three Truro tactical strategies are particularly susceptible to short-term trading during periods of elevated volatility in the invested asset classes. There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

B.4. Short Selling

USFA generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

B.5. Option Strategies

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

USFA as part of its investment strategy may employ the following option strategies:

- Covered call writing
- Long call options purchases
- Long put options purchases

B.5.a. Covered Call Writing

Covered call writing is the sale of in-, at-, or out-of-the money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration.

This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

B.5.b. Long Call Option Purchases

Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

B.5.c. Long Put Option Purchases

Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

B.6. Technical or Tactical Trading Models

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry and sector performance.

C. Concentration Risk

There is an inherent risk for clients whose investment portfolios lack diversification—that is, they have their investment portfolios heavily weighted in a specific investment style, security, industry or industry sector, geographic location, investment manager, type of investment instrument (equities versus fixed income). Clients, who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There is nothing to report for this item.

B. Administrative Enforcement Proceedings

There is nothing to report for this item.

C. Self-Regulatory Organization Enforcement Proceedings

There is nothing to report for this item.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

USFA is not and does not have a related company that is a broker-dealer. However, certain members and employees of USFA are registered representatives with LPL Financial ("LPL"), a FINRA-registered broker-dealer and member of SIPC, and USFA offices are also LPL branch office locations. LPL is a financial services company engaged in the sale of investment products. USFA professionals licensed with LPL as registered representatives spend less than 25% of their time engaged in commission product sales through LPL.

As a result of USFA members and registered professionals' affiliation with LPL, such professionals, in their capacity as registered representatives of LPL, are subject to the general oversight of LPL and the Financial Industry Regulatory Authority Inc. ("FINRA"). As such, clients of USFA should understand that their personal and account information is available to FINRA and LPL for the fulfillment of their regulatory oversight obligations and duties.

B. Futures or Commodity Registration

Neither USFA nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator, or commodity trading adviser and do not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

C.1. Truro Asset Management, LLC

USFA and Truro Asset Management, LLC, are currently under common control. Although USFA is using the brand name "Truro" for the investment strategies described in Items 4 and 8 of this brochure, please be advised that these investment strategies are being managed by USFA. There is no sub-advisory relationship between USFA and Truro Asset Management.

C.2. LPL

Certain members and employees of USFA are registered representatives with LPL Financial ("LPL"), a FINRA-registered broker-dealer and member of SIPC. As a result, such professionals, in their capacity as registered representatives of LPL, are subject to the oversight of LPL and the Financial Industry Regulatory Authority, Inc. ("FINRA"). As such, clients of USFA should understand that their personal and account information is available to FINRA and LPL personnel in the fulfillment of their oversight obligations and duties.

USFA advisory clients are not compelled to effect securities transactions through LPL. USFA professionals who effect transactions for advisory clients will not receive transaction or commission compensation from either LPL or any other executing broker. USFA may be deemed

to have a conflict of interest in that effecting transactions through LPL will benefit USFA by providing leverage to potentially negotiate a better fee structure from LPL.

Further, a potential conflict of interest may be deemed to exist as a result of USFA personnel being licensed with LPL; in that regard please note the following:

- A conflict of interest may exist between USFA and its clients.
- Clients are not compelled to establish brokerage accounts with LPL.
- Clients may direct that USFA use another broker-dealer to effect transactions. Please see Item 12.B. for limitations on client-directed brokerage transactions.

Please see Item 12 of this Brochure for additional details regarding USFA's relationship with LPL Financial.

C.3. Accounting Services

Certain members and employees of USFA may also be separately licensed as certified public accountants or enrolled agents with the Internal Revenue Service. They may provide accounting or tax preparation services to clients. If appropriate, advisory clients may be referred to these individuals for accounting or tax preparation services, but they are not obligated to use these services. If clients do elect to use these services, charges for tax or accounting services provided will be from the professional or entity that performed the services directly and be separate from fees charged for advisory services by USFA.

Clients are advised of a potential conflict of interest in that there is an economic incentive to recommend the services of such accountants. Clients are also advised that USFA professionals strive to put their clients' interests first and foremost. Clients may utilize any accounting firm they desire.

C.4. U.S. Insurance Brokers, LLC

Certain members and employees of USFA are also independently licensed insurance agents and may be affiliated with various insurance companies. When selling insurance products in this separate capacity, they may receive normal and customary commissions. U.S. Wealth Management, LLC, is the sole owner of USFA and U.S. Insurance Brokers ("USIB"), a licensed insurance agency. Some of USFA's investment advisor representatives sell insurance products through USIB.

USIB is engaged in the business of placing life insurance, health insurance, disability insurance, long-term care insurance, and annuity business on a brokerage basis with a number of insurance companies. USIB may be recommended for the placement of various life insurance, annuity, long term care, disability insurance, and other appropriate insurance products to meet the needs of USFA's advisory clients. Most investment adviser representatives of USFA are also licensed insurance brokers, and are associated with USIB. As insurance brokers, insurance recommendations provided by the investment advisor representative to our advisory clients as part of a financial plan or consultation could be limited to only those insurance products available to the investment advisor representative through his/her affiliation with USIB.

Clients are advised of a potential conflict of interest in that there is an economic incentive to recommend insurance and other investment products of such carriers. Clients are also advised that USFA professionals strive to put their clients' interests first and foremost. Other than for insurance products that require a securities license, such as variable insurance products, clients may utilize any insurance carrier or insurance agency they desire.

C.5. Taiber Kosmala Asset Consulting, LLC

USFA has entered into an investment advisory consulting arrangement with Taiber Kosmala Asset Consulting, LLC ("TK"), an unaffiliated investment adviser that provides USFA with investment research, model portfolio recommendations, allocation recommendations, and specific security analysis and recommendations. USFA's agreement is directly with TK, and USFA clients do not enter into an agreement with TK. Services are provided directly to USFA. TK does not provide advice directly to clients and does not have access to client accounts. USFA is fully responsible for accepting and implementing all recommendations made by TK. USFA pays TK an annual fixed-fee for their consulting services. Phil Kosmala, a principal of Taiber-Kosmala, or his partner Joe Taiber, will sit on the firm's investment committee.

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

Other than what is provided in Item 10.C above, USFA does not recommend separate account managers or other investment products in which it receives any form of compensation from the separate account manager or investment product sponsor.

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

A. Code of Ethics Description

In accordance with the Advisers Act, USFA has adopted policies and procedures designed to detect and prevent insider trading. In addition, USFA has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of USFA's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the Chief Compliance Officer of USFA. USFA will send clients a copy of its Code of Ethics upon written request.

USFA has policies and procedures in place to ensure that the interests of its clients are given preference over those of USFA, its affiliates, and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

USFA does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory, or buying stocks from advisory clients into a firm's inventory). In addition, USFA does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

USFA, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which USFA specifically prohibits. USFA has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest,
- prohibit front-running, and
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow USFA's procedures when purchasing or selling the same securities purchased or sold for the client.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

USFA, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other USFA clients. USFA will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of USFA to place clients' interests above those of USFA and its employees.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

A.1. Custodian Recommendations

USFA generally recommends that clients establish brokerage accounts with LPL Financial ("LPL"), a FINRA-registered broker-dealer and member of SIPC. Clients may also establish brokerage accounts with TD Ameritrade Institutional, division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC/NFA. Although USFA may recommend that clients establish brokerage accounts with such custodians, USFA is independently owned and operated and not affiliated with the custodians.

These custodians do not charge separately for custody services, but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through or that settle into the custodians' accounts.

In certain instances and subject to approval by the firm, USFA will recommend to clients certain broker-dealers and/or custodians based on the needs of the individual client, taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by USFA will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. TD Ameritrade Institutional

USFA participates in the institutional customer program of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance, and settlement of transactions. USFA receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 of this Brochure.)

A.1.b. Recommendation of LPL Financial Material Conflicts of Interest

Certain investment adviser representatives of USFA may receive forgivable loans through USFA's primary custodian, LPL Financial, in order to assist with transitioning their business onto the LPL Financial custodial platform. This loan may be forgiven by LPL Financial based on the scope of business such representatives engage in with LPL Financial, including the amount of their client assets with LPL Financial. This presents a conflict of interest in that such investment adviser representatives have a financial incentive to recommend that clients maintain their account with LPL Financial in order to benefit by having the loan forgiven.

However, to the extent such representatives recommend clients use LPL Financial for such services, it is because the representatives believe it is in clients' best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

A.1.c. Soft Dollar Arrangements

USFA does not engage in soft dollar arrangements.

A.1.d. Institutional Trading and Custody Services

The custodians provide USFA with access to its institutional trading and custody services, which may not be available to the custodians' retail investors. These services are generally available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at such custodians. These services are not contingent upon USFA committing to the custodians any specific amount of business (assets in custody or trading commissions). The custodians' brokerage services include the execution of securities transactions, custody, research, reporting, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or that would require a significantly higher minimum initial investment.

A.1.e. Other Products and Services

The custodians also make available to USFA other products and services that benefit USFA but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of USFA's accounts, including accounts not maintained at such custodians. The custodians also make available to USFA their managing and administering software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing, and other market data
- facilitate payment of USFA's fees from its clients' accounts
- assist with back-office functions, recordkeeping, and client reporting

The custodians also offer other services intended to help USFA manage and further develop its business enterprise. These services may include

- compliance, legal, and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants, and insurance providers

The custodians may also provide other benefits, such as educational events or occasional business entertainment of USFA personnel. In evaluating whether to recommend that clients

custody their assets at such custodians, USFA may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost, or quality of custody and brokerage services provided by the custodians, which may create a potential conflict of interest.

A.1.f. Independent Third Parties

The custodians may make available, arrange, and/or pay third-party vendors for the types of services rendered to USFA. The custodians may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to USFA.

A.1.g. Additional Compensation Received from Custodians

USFA may participate in institutional customer programs sponsored by broker-dealers or custodians. USFA may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between USFA's participation in such programs and the investment advice it gives to its clients, although USFA receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research-related products and tools
- Consulting services
- Access to a trading desk serving USFA participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts)
- The ability to have advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to USFA by third-party vendors

The custodian may also pay for business consulting and professional services received by USFA's related persons, and may pay or reimburse expenses (including travel, lodging, meals and entertainment expenses for USFA's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit USFA but may not benefit its client accounts. These products or services may assist USFA in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help USFA manage and further develop its business enterprise. The

benefits received by USFA or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

USFA also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require USFA to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, USFA will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by USFA's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for USFA's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, USFA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by USFA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence USFA's recommendation of broker-dealers for custody and brokerage services.

A.2. Brokerage for Client Referrals

USFA does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. Directed Brokerage

A.3.a. USFA Recommendations

USFA typically recommends LPL Financial or TD Ameritrade Institutional as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct USFA to use a particular broker-dealer to execute portfolio transactions for their accounts or request that certain types of securities not be purchased for their accounts. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage USFA derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. USFA loses the ability to aggregate trades with other USFA advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. Aggregating Securities Transactions for Client Accounts

B.1. Best Execution

USFA, pursuant to the terms of its investment advisory agreement with clients, may have discretionary authority to determine which securities are to be bought and sold, the amount of such securities, and the executing broker. USFA recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. USFA will follow a process in an

attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation, and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance, and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, USFA seeks to ensure that clients receive best execution with respect to the clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of USFA's knowledge, these custodians provide high-quality execution, and USFA's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, USFA believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

B.2. Security Allocation

Since USFA may be managing accounts with similar investment objectives, the firm may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by USFA in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

USFA's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. USFA will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

USFA's advice to certain clients and entities and the actions of USFA for those and other clients are frequently premised not only on the merits of a particular investment but also on the suitability of that investment for the particular client in light of his or her applicable investment objectives, guidelines, and circumstances. Thus, any action of USFA with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice or actions of USFA to or on behalf of other clients.

B.3. Order Aggregation

Although USFA's trading policy is to implement all client orders on an individual basis, there may be occasion to aggregate or "block" client transactions when USFA deems it appropriate. If orders are aggregated, then orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered when we trade accounts individually. This is because we develop individualized investment strategies for clients, and holdings will vary from client to client.

B.4. Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs, and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

USFA acts in accordance with its duty to seek best price and execution and will not continue any arrangements if it determines that such arrangements are no longer in the best interests of its clients.

Item 13: Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Client accounts are reviewed in the first instance by the investment adviser representative servicing the client relationship on at least an annual basis. Such professionals are subject to the general authority of USFA's Managing Member. The CCO or designee(s) must review and approve the opening of each new advisory relationship and oversee reviews of client accounts.

To the extent USFA clients utilize one or more Truro model portfolio strategies, reviews of Truro model portfolios and strategies are also performed by the Investment Committee on a consistent and ongoing basis. At least quarterly, the Investment Committee reviews the model portfolios' strategy allocations, fund performance, and strategy performance. In addition, should capital markets call for more immediate review, the Investment Committee will make a determination regarding changes to the models' allocation and/or investments.

Individual clients' model portfolios will be reviewed by the client's investment advisor professional.

B. Review of Client Accounts on Non-Periodic Basis

USFA investment adviser representatives may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how USFA formulates investment advice.

C. Content of Client-Provided Reports and Frequency

Investment advisory clients receive performance reports summarizing account performance against applicable benchmarks. In addition, the client's independent custodian provides account statements directly to the client no less frequently than quarterly. The custodian's statement is the official record of the client's securities account and supersedes any statements or reports created on behalf of the client by USFA.

Financial planning clients receive written reports pursuant to the terms of their financial planning agreement.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

A.1. Expense Reimbursements

USFA may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing, such as advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

A.2. Skyview Advisors

USFA has a relationship with Skyview Advisors in that Skyview provides portfolio analytic services to USFA. In return, USFA may recommend certain funds advised by Skyview Advisors to USFA clients. Clients should understand that this practice may constitute a conflict of interest and recommendations of funds advised by Skyview Advisors may be viewed as being in the best interest of USFA rather than its clients.

A.3. TD Ameritrade

As disclosed under Item 12, USFA participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade Institutional to clients for custody and brokerage services. There is no direct link between USFA's participation in the program and the investment advice it gives to clients, although the firm receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided either without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research related products and tools
- Consulting services
- Access to a trading desk serving our clients
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to our client's accounts)
- The ability to have advisory fees deducted directly from our client's

- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees, and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third-party vendors

TD Ameritrade may also have paid for business consulting and professional services received by USFA's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit USFA but may not benefit its clients' accounts. These products or services may assist USFA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help USFA manage and further develop its business enterprise. The benefits received by USFA or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of its fiduciary duties to clients, USFA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by USFA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence USFA's choice of TD Ameritrade for custody and brokerage services.

A.4. Recommendation of LPL Financial Material Conflicts of Interest

Certain investment adviser representatives of USFA may receive an economic benefit from LPL Financial in the form of a loan, which is forgiven if such representative meets certain conditions in terms of maintaining a relationship with LPL Financial. Please see detailed discussion of the conditions and potential conflicts of interest in Item 12: Brokerage Practices.

B. Advisory Firm Payments for Client Referrals

USFA may enter into agreements with solicitors who will refer prospective advisory clients to USFA in return for a portion of the ongoing investment advisory fee. Such arrangements will comply with the cash solicitation requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940. Generally, these requirements require the solicitor to have a written agreement with USFA. The solicitor must provide the client with a disclosure document describing the fees it receives from USFA, whether those fees represent an increase in fees that USFA would otherwise charge the client, and whether an affiliation exists between USFA and the solicitor.

Item 15: Custody

Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances and portfolio holdings in the client's account. Clients are urged to compare billing statements provided by USFA to the custodian statement for accuracy. Any discrepancies should be brought to the firm's attention. The custodian's statement is the official record of the account.

Item 16: Investment Discretion

Clients may grant a limited power of attorney to USFA with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In such cases, USFA will exercise full discretion as to the nature and type of securities to be purchased and sold, the amount of securities, and the executing broker for such transactions for its clients. Investment limitations may be designated by the client as outlined in the investment advisory agreement.

Item 17: Voting Client Securities

USFA does not take discretion with respect to voting proxies on behalf of its clients. USFA may endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held as part of USFA supervised and/or managed assets. In no event will USFA take discretion with respect to voting proxies on behalf of its clients.

Except as required by applicable law, USFA will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. USFA has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. USFA also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, USFA has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where USFA receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

Item 18: Financial Information

A. Balance Sheet

USFA does not require the prepayment of fees of \$1,200 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

USFA does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There is nothing to report for this item.

USFA Investment Committee Members

Brochure Supplement

September 15, 2014

U.S. Financial Advisors, LLC

SEC File No. 801-55953

John P. Napolitano

Manager and Chief Compliance Officer

Investment Committee Member

Individual CRD No. 2311315

30 Braintree Hill Office Park, Suite 201

Braintree, MA 02184

phone: 781-849-9200

email: compliance@uswealthmanagement.com

website: www.uswm.com

This brochure supplement provides information about John Napolitano that supplements the U.S. Financial Advisors, LLC, brochure. You should have received a copy of that brochure. If you did not receive a brochure or if you have any questions about the contents of this supplement, please contact John Napolitano at 781-849-9200 or compliance@uswealthmanagement.com.

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

Item 2: Educational Background and Business Experience

John P. Napolitano (b. 1956) is the Manager, Chief Compliance Officer, and an Investment Committee Member of U.S. Financial Advisors, LLC.

A. Educational Background

Bachelor of Science in Accounting, Bentley College	1978
Master of Science in Taxation, Bentley College	1986

B. Business Background

LPL Financial, Registered Representative	12/2011–Present
U.S. Insurance Brokers, Insurance Agent	10/1995–Present
U.S. Financial Advisors, LLC, Investment Advisor Representative	09/1995–Present
Lincoln Financial Securities Corp., Registered Representative	05/2009–12/2011
U.S. Wealth Advisors, LLC, Registered Representative	01/2006–05/2009

Item 3: Disciplinary Information

Mr. Napolitano does not have any disciplinary action to report. Public information concerning Mr. Napolitano's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

Item 4: Other Business Activities

Registered Representative of LPL Financial LLC

Mr. Napolitano is separately licensed as a registered representative with LPL Financial LLC ("LPL Financial"), a registered securities broker-dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). When acting in his separate capacity as a registered representative of LPL Financial, Mr. Napolitano may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, Mr. Napolitano may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based LPL Financial account in addition to a USFA advisory account.

The receipt of commissions creates an incentive for Mr. Napolitano to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. Mr. Napolitano controls for this potential conflict of interest by discussing with clients the advantages and disadvantages of establishing a fee-based account

through USFA versus establishing a commission-based account through LPL Financial. USFA does not require its advisor representatives to encourage clients to implement investment advice through LPL Financial. Mr. Napolitano does not earn commissions in fee-based accounts.

Clients should understand that, due to certain regulatory constraints, Mr. Napolitano, in his capacity as an LPL Financial registered representative, must place all purchases and sales of securities products in commission-based brokerage accounts through LPL Financial or other approved institutions.

USFA advisory clients are not compelled to effect securities transactions through LPL. USFA professionals who effect transactions for advisory clients will not receive transaction or commission compensation from either LPL or any other executing broker. USFA may be deemed to have a conflict of interest in that effecting transactions through LPL will benefit USFA by providing leverage to potentially negotiate a better fee structure from LPL.

Further, a potential conflict of interest may be deemed to exist as a result of USFA personnel being licensed with LPL; in that regard please note the following:

- A conflict of interest may exist between USFA and its clients.
- Clients are not compelled to establish brokerage accounts with LPL.
- Clients may direct that USFA use another broker-dealer to effect transactions.

Insurance Agent

Mr. Napolitano is independently licensed to sell insurance and annuity products through various insurance companies. He currently conducts and markets insurance activities through U.S. Insurance Brokers, LLC, an affiliate of U.S. Financial Advisors. When acting in this capacity, Mr. Napolitano will receive commissions for selling insurance and annuity products. Mr. Napolitano may also receive other incentive awards for the recommendation/ sale of annuities and other insurance products. The receipt of compensation and other incentive benefits may affect the judgment of Mr. Napolitano when recommending products to clients. While Mr. Napolitano endeavors at all times to put the interest of his clients first as a part of U.S. Financial Advisors' overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect Mr. Napolitano's decision-making process when making recommendations. Clients are never obligated or required to purchase insurance products from or through Mr. Napolitano 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.

U.S. Wealth Management, LLC

Mr. Napolitano is Chairman, Chief Executive Officer, and controlling Member of U.S. Wealth Management, LLC, the parent company of U.S. Financial Advisors, LLC, and U.S. Insurance Brokers, LLC. In this role, Mr. Napolitano attends board meetings, helps determine business decisions, and is eligible to receive a portion of U.S. Wealth Management, LLC's profits based on his percentage of control in U.S. Wealth Management, LLC.

Professional Speaker and Freelance Author

Since 1990, Mr. Napolitano has been a professional speaker and freelance author on financial and investment-related issues. This activity demands approximately 10% of his time and he receives a minimal amount of revenue for speaking and writing events. Other than time spent, this activity does not have a material impact on Mr. Napolitano's advisory business.

Item 5: Additional Compensation

Mr. Napolitano receives additional compensation from the business activities described in Item 4 above.

In addition, certain product sponsors may provide Mr. Napolitano with other economic benefits as a result of Mr. Napolitano's recommendation or sale of the product sponsors' investments. The economic benefits received by Mr. Napolitano from product sponsors can include but are not limited to financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist Mr. Napolitano in providing various services to clients.

Although U.S. Financial Advisors and Mr. Napolitano endeavor at all times to put the interest of their clients ahead of their own interests or those of the firm's officers, directors, or representatives, these arrangements could affect the decision-making process of Mr. Napolitano when recommending investment products.

Item 6: Supervision

Supervision of Mr. Napolitano is performed by himself in his capacity as Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Napolitano can be reached at 781-849-9200.

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September 15, 2014

U.S. Financial Advisors, LLC

SEC File No. 801-55953

Robert C. Napolitano

Investment Committee Member

Individual CRD No. 5916258

30 Braintree Hill Office Park, Suite 201
Braintree, MA 02184

phone: 781-849-9200

email: compliance@uswealthmanagement.com

website: www.uswm.com

This brochure supplement provides information about Robert Napolitano that supplements the U.S. Financial Advisors, LLC, brochure. You should have received a copy of that brochure. If you did not receive a brochure or if you have any questions about the contents of this supplement, please contact John Napolitano at 781-849-9200 or compliance@uswealthmanagement.com.

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

Item 2: Educational Background and Business Experience

Robert C. Napolitano (b. 1986) is an Investment Committee Member of U.S. Financial Advisors, LLC.

A. Educational Background

B.S., Corporate Finance and Accounting, Bentley University 2008

B. Business Background

Truro Asset Management, LLC, Associate Portfolio Manager 06/2011–Present

Schochet Associates 10/2009–06/2011

Caturano and Company 09/2008–09/2009

Prior to 09/2008, Mr. Napolitano was a full-time student at Bentley University.

Item 3: Disciplinary Information

Robert C. Napolitano does not have any disciplinary action to report. Public information concerning Mr. Napolitano's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

Item 4: Other Business Activities

There is nothing to report for this item.

Item 5: Additional Compensation

There is nothing to report for this item.

Item 6: Supervision

Supervision of Robert Napolitano is performed by John Napolitano, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. John Napolitano can be reached at 781-849-9200.

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September 15, 2014

U.S. Financial Advisors, LLC

SEC File No. 801-55953

Thomas Fletcher

Client Manager

Investment Committee Member

Individual CRD No. 1271532

30 Braintree Hill Office Park, Suite 201

Braintree, MA 02184

phone: (781) 884-2350

USFA Main Office

30 Braintree Hill Office Park, Suite 201

Braintree, MA 02184

phone: 781-849-9200

email: compliance@uswealthmanagement.com

website: www.uswm.com

This brochure supplement provides information about Thomas Fletcher that supplements the U.S. Financial Advisors, LLC, brochure. You should have received a copy of that brochure. If you did not receive a brochure or if you have any questions about the contents of this supplement, please contact John Napolitano at 781-849-9200 x239 or compliance@uswealthmanagement.com.

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

Item 2: Educational Background and Business Experience

Thomas Fletcher (b. 1958) is a Client Manager and Investment Committee Member of U.S. Financial Advisors, LLC.

A. Educational Background

B.A., Gordon College	1980
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B. Business Background

US Wealth Management	01/2013–Present
LPL Financial LLC	01/2013–Present
Macquarie Capital	05/2011–06/2012
Piper Jaffray	05/2009–05/2011
Fidelity Management and Resources	06/1986–03/2009
Bear Stearns and Company	01/1981–06/1986

Item 3: Disciplinary Information

Thomas Fletcher does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

Item 4: Other Business Activities

Registered Representative of LPL Financial LLC

Mr. Fletcher is separately licensed as a registered representative with LPL Financial LLC ("LPL Financial"), a registered securities broker-dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). When acting in his separate capacity as a registered representative of LPL Financial, Mr. Fletcher may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, Mr. Fletcher may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based LPL Financial account in addition to a USFA advisory account.

The receipt of commissions creates an incentive for Mr. Fletcher to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. Mr. Fletcher controls for this potential conflict of interest by discussing with clients the advantages and disadvantages of establishing a fee-based account through

USFA versus establishing a commission-based account through LPL Financial. USFA does not require its advisor representatives to encourage clients to implement investment advice through LPL Financial. Mr. Fletcher does not earn commissions in fee-based accounts.

Clients should understand that, due to certain regulatory constraints, Mr. Fletcher, in his capacity as an LPL Financial registered representative, must place all purchases and sales of securities products in commission-based brokerage accounts through LPL Financial or other approved institutions.

USFA advisory clients are not compelled to effect securities transactions through LPL. USFA professionals who effect transactions for advisory clients will not receive transaction or commission compensation from either LPL or any other executing broker. USFA may be deemed to have a conflict of interest in that effecting transactions through LPL will benefit USFA by providing leverage to potentially negotiate a better fee structure from LPL.

Further, a potential conflict of interest may be deemed to exist as a result of USFA personnel being licensed with LPL; in that regard please note the following:

- A conflict of interest may exist between USFA and its clients.
- Clients are not compelled to establish brokerage accounts with LPL.
- Clients may direct that USFA use another broker-dealer to effect transactions.

Insurance Agent

Mr. Fletcher is independently licensed to sell insurance products through various insurance companies. When acting in this capacity, Mr. Fletcher will receive commissions for selling insurance products and may also receive other incentive awards for the recommendation/ sale of insurance products. The receipt of compensation and other incentive benefits may affect the judgment of Mr. Fletcher when recommending products to clients. While Mr. Fletcher endeavors at all times to put the interest of his clients first as a part of U.S. Financial Advisors' overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect Mr. Fletcher's decision-making process when making recommendations. Clients are never obligated or required to purchase insurance products from or through Mr. Fletcher 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. Fletcher receives additional compensation through his business activities described in Item 4 above.

In addition, certain product sponsors may provide Mr. Fletcher with other economic benefits as a result of Mr. Fletcher's recommendation or sale of the product sponsors' investments. The economic benefits received by Mr. Fletcher from product sponsors can include but are not limited to financial assistance or the sponsorship of conferences and educational sessions,

marketing support, incentive awards, payment of travel expenses, and tools to assist Mr. Fletcher in providing various services to clients.

Although U.S. Financial Advisors and Mr. Fletcher endeavor at all times to put the interest of their clients ahead of their own interests or those of the firm's officers, directors, or representatives, these arrangements could affect the decision-making process of Mr. Fletcher when recommending investment products.

Item 6: Supervision

Supervision of Thomas Fletcher is performed by John Napolitano, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. John Napolitano can be reached at 781-849-9200 x239.

Brochure Supplement

September 15, 2014

U.S. Financial Advisors, LLC

SEC File No. 801-55953

Phillip J. Kosmala Investment Committee Member

141 W. Jackson Blvd., Suite 3540
Chicago, IL 60604
phone: 312-300-4781

USFA Main Office

30 Braintree Hill Office Park, Suite 201
Braintree, MA 02184
phone: 781-849-9200
email: compliance@uswealthmanagement.com
website: www.uswm.com

This brochure supplement provides information about Phillip Kosmala that supplements the U.S. Financial Advisors, LLC, brochure. You should have received a copy of that brochure. If you did not receive a brochure or if you have any questions about the contents of this supplement, please contact John Napolitano at 781-849-9200 x239 or compliance@uswealthmanagement.com.

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

Item 2: Educational Background and Business Experience

Phillip Kosmala (b. 1971) is an Investment Committee Member of U.S. Financial Advisors, LLC.

A. Educational Background

B.S., Finance, DePaul University 1993

B. Professional Designations

Chartered Financial Analyst® (CFA®)

C. Business Background

Managing Member, Taiber, Kosmala & Associates, LLC	06/2012–Present
Chief Compliance Officer, Lowery Asset Consulting, LLC	05/2006–06/2012
Executive Vice President, Director of Manager Research Lowery Asset Consulting, LLC	11/2003–06/2012
Manager of Investment Research DiMeo Schneider & Associates	07/1999–11/2003
Examiner, U.S. Securities & Exchange Commission	03/1994–07/1999

D. Professional Designations - Qualifications and Related Criteria

D.1. Chartered Financial Analyst® (CFA®)

The Chartered Financial Analyst® (CFA®) designation is conferred by the CFA Institute. A financial analyst seeking membership to the CFA Institute must:

- meet eligibility requirements
- fully comply with the CFA Code of Ethics and Standards of Professional Conduct
- study books, journal articles, and other readings designated by the Institute
- successfully pass three examinations, each approximately six hours in length and administered by the CFA Institute

The candidate for the CFA designation must have at least a single current and principal engagement:

- in financial analysis of securities investment for a bank, investment company, insurance company, or other financial services or investment management firms
- as an assistant, associate, or full professor or dean of a college or university, who teaches and/or researches
- as an economist involved in financial analysis of securities investment
- as a portfolio manager

- as a financial analyst of securities investment within a public agency
- as a financial analyst of securities investment for a corporate pension, profit sharing or other retirement fund
- as a manager of financial analysts or portfolio managers involved with securities investment and who, before assumption of management obligations, was a financial analyst or portfolio manager

The CFA is awarded to candidates who have passed the examinations and met the other requirements specified by the CFA Institute.

Item 3: Disciplinary Information

Phillip Kosmala does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

Item 4: Other Business Activities

Phillip Kosmala is the Managing Member of Taiber, Kosmala & Associates, LLC.

Item 5: Additional Compensation

Mr. Kosmala receives additional compensation through his business activity described in Item 4 above.

Item 6: Supervision

Mr. Kosmala is a member of USFA's investment committee but is not a supervised person of the firm.