

Item 1 – Cover Page
Part 2A Appendix 1

Plotkin Financial Advisors, LLC
8401 Connecticut Avenue, Suite 400
Chevy Chase, MD 20815
P: 301-907-9790
www.pfallc.com

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This wrap fee program brochure provides information about the qualifications and business practices of Plotkin Financial Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (301) 907-9790 and/or Sarah Hunt at Shunt@pfallc.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Any references to Plotkin Financial Advisors, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

Item 2 - Material Changes

October 2015

Item 4 and 5 - Removed the requirement for clients to have \$1,000,000 of assets under management to be eligible for signature service. Further, amended disclosure to clarify payment of a portion of US tax preparation fees is at the discretion of Plotkin Financial Advisors.

Item 9

- Under the heading, Client Referrals and Other Compensation, revised disclosure discussing incentive compensation to Advisory Representatives for selling unites of certain partnerships. The disclosure has been expanded to list the following partnerships: American Realty and KBS. Further, disclosure has been amended to state Advisory Representatives will receive incentive compensation for units of the aforementioned partnerships being sold to both US and Israeli citizens.

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was February 2016.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC 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 fiscal year, which is December 31st. We may further provide other ongoing disclosure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Sarah Hunt at (301) 907-9790 and/or at shunt@pfallc.com. Additional information about Plotkin Financial Advisors, LLC is also available via the SEC's website www.adviser.sec.gov. The website also provides information about any persons affiliated with Plotkin Financial Advisors, LLC who are registered, or are required to be registered, as investment adviser representatives of Plotkin Financial Advisors, LLC.

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Item 4 - Services, Fees and Compensation

Item 4.A – Describe the services, including the types of portfolio management services, provided under each program. Indicate the wrap fee charged for each program or, if fees vary according to a schedule, provide your fee schedule. Indicate whether fees are negotiable and identify the portion of the total fee, or the range of fees, paid to portfolio managers.

PFA customizes your portfolio allocation taking into consideration your limitations or restrictions, the market and economy at the time and your financial situation, goals and objectives. PFA does not manage client portfolios based on a model account. Each client's managed portfolio is a customized allocation taking into consideration the client's other securities holdings if known, the goals and objectives of the client, market at the time of investment, investment time horizon and other determining factors. Therefore, it is likely no two clients' portfolios will look alike and performance of managed accounts will be different from client to client. PFA's objective is to establish a suitable allocation for the client across all of a client's investment holdings in an attempt to reduce risk and market volatility.

PFA will schedule a meeting with you and present the recommended portfolio allocation. Upon your approval, PFA will implement the portfolio allocation. PFA will provide continuous and ongoing management of your account.

Each client's portfolio is customized to the client. PFA will examine a client's entire investment portfolio, including taking into consideration the client's employer retirement accounts, if possible, and design an asset allocation specific to the client based on the client's objectives, risk tolerance, time horizon and investment goals. Client's portfolios may be similar or dissimilar depending on investment objectives and goals, timing of investment and client investment sophistication.

PFA offers asset management services on a discretionary and nondiscretionary basis. If you grant PFA discretionary authority, PFA will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. PFA may actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer or shorter term periods. Discretionary authority will be granted by you to PFA by execution of the Investment Advisory Agreement. If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement.

Client's portfolio may consist of stocks, bonds, unit investment trusts (UITs), ETFs (including leveraged, leveraged inverse and inverse), real estate investment trusts (REITs), closed end funds, no-load and/or load mutual funds, direct participation programs, and cash.

Transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

Schwab's Brokerage Services

In addition to the foregoing portfolio management, the program includes brokerage services of Charles Schwab & Co., Inc. ("Schwab"), a broker/dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. We are independently owned and operated and is not affiliated with Schwab. Schwab will act solely as a broker/dealer and not as an investment adviser to you. It will have no discretion over your account and will act solely on instructions it receives from us or you. Schwab has no responsibility for our services and undertakes no duty to you to monitor our management of your account or other services we provide to you. Schwab will hold your assets in a brokerage account and buy and sell securities and execute other transactions when we or you instruct them to. While we recommend that you use Schwab as custodian/broker to participate in our program, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you. If you do not wish to place your assets with Schwab, then we cannot manage your account in the program. Not all advisers require their clients to use a particular broker/dealer or other custodian selected by the adviser. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below.

Fees and Termination Provisions

Our Fees

Because our wrap fees are not tied to an account's frequency of trading and apply generally to all assets in the account, this fee arrangement is not appropriate for all accounts. For example, a wrap fee arrangement would not be appropriate for an account that holds primarily cash and cash equivalents, fixed income securities or non-transaction-fee mutual funds for a substantial period of time.

Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

You may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements. No fee adjustments will be made for additional deposits to the account or partial withdrawals from the account or for Account appreciation or depreciation.

Account Size	Annual Fee
First \$5,000,000	1.25%
Over \$5,000,000	Negotiable

PFA aggregates or households all of your managed accounts together to determine your quarterly fee.

PFA may change the above fee schedule upon 30-days prior written notice to you.

"Signature Service"

In addition to asset management, at PFA's discretion, PFA will agree to pay a portion of the preparation fees for preparation of US personal federal tax returns if all of the client's US assets under

management are managed by PFA. If the client has a portion of their assets with another representative or adviser, PFA will only pay a portion of the tax preparation fee.

Advisory fees will generally be collected directly from your account, provided you have given PFA written authorization. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, PFA has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to PFA, except for ERISA and IRA accounts.

Advisory fees will be charged in advance of each calendar quarter based upon the value of the portfolio on the last business day of the just completed calendar quarter.

The initial advisory fee for accounts established during a calendar quarter will be charged a prorated fee upon account establishment based on the initial value of the account when all funds and assets have been transferred. Thereafter, client will be charged on a calendar quarter cycle in advance based on the value of the account on the last business day of the calendar quarter. Advisory fees for Accounts opened on a day other than the first day of the calendar quarter or closed on a day other than the last business day of the calendar quarter will be prorated based on the number of days remaining in the quarter.

Fees We Pay Schwab

In addition to compensating us for our portfolio management and advisory services, the wrap fees you pay us also allow us to pay Schwab for the brokerage services it provides to you, as described above, as well as additional services Schwab provides us, as described below. The fees we pay Schwab consist primarily of asset-based fees assessed on the total assets (including stocks, bonds, mutual funds, and cash) in all of our clients' accounts in our wrap fee program that are maintained at Schwab. Subject to an annual minimum fee of \$25,000, the asset-based fee is not greater than 17 basis points (0.17%) of the value of the assets in your account(s) at Schwab, along with the accounts of our other clients participating in this wrap fee program.

In addition to the asset-based fee described above, we pay Schwab certain other fees that it would otherwise charge you. These fee may include (a) flat dollar per trade fees for Schwab's prime brokerage and trade away services (through which we can have trades for your account at Schwab executed by broker-dealers other than Schwab), (b) custody and setup fees for alternative investments (such as non-standard assets, non-publicly traded limited partnership interests, foreign securities, non-marketable securities, etc.), and (c) short-term redemption fees on mutual funds available through Schwab's Mutual Fund OneSource®.

The fees we pay Schwab may be more than what we would pay solely for Schwab's brokerage services.

Termination Provisions

You may terminate investment advisory services obtained from PFA, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with PFA. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account

such Account maintenance fees. Thereafter, you may terminate investment advisory services upon delivery of your notice to terminate to PFA. Should you terminate investment advisory services during a calendar quarter, you will be issued a pro-rated refund of the advisory fee from the date of termination to the end of the calendar quarter.

Item 4.B - Explain that the program may cost the client more or less than purchasing such services separately and describe the factors that bear upon the relative cost of the program, such as the cost of the services if provided separately and the trading activity in the client's account.

Relative Cost of Our Wrap Fee Program to You

The program may cost you more or less than purchasing our investment advice and Schwab's brokerage services separately. The relative cost of our wrap fee program to you is influenced by various factors, including the cost of our investment advice and Schwab's brokerage services if you purchased them separately, the types of investments held in your account, and the frequency and size of trades we make for your account. For example, if the number of transactions in your account is low enough, the wrap fee you pay us may exceed the stand alone investment advisory fee and separate brokerage commissions that you otherwise would have paid. In addition, because the fees we pay Schwab and that comprise a portion of the wrap fee you pay us (i) are generally not tied to the number of trades made and (ii) are based on the total assets of all of our clients accounts in our wrap fee program and custodied at Schwab, client accounts that have relatively few assets but that trade relatively frequently could disproportionately benefit from the program compared to larger accounts that trade less frequently.

Wrap accounts may be more suitable for the client who wants the cost of management and trading in one single fee without being charged for each transaction. While a non-wrap account will be more suitable for a client who prefers to separate management fees and pay for each transaction. Actively managed accounts will generally be better suited for a wrap account. Managed accounts that are infrequently traded or trade in no-transaction fee securities will be better suited for a non-wrap fee structure. A wrap program may cost you more or less than if you purchased advisory and transactional services separately.

Item 4.C - Describe any fees that the client may pay in addition to the wrap fee, and describe the circumstances under which clients may pay these fees, including, if applicable, mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers.

Additional Fees and Costs You May Pay

Our wrap fee does not cover the fees and costs listed below, which may apply to assets in your enrolled account to which our wrap fee also applies, and to transactions in your account.

- You may pay fees for account maintenance fees and other fees associated with maintaining the Account. Such fees are not charged by PFA and are charged by the product, broker/dealer or account custodian. At PFA's discretion, PFA may agree to cover on behalf of the client wire fees the client's bank charges for wiring funds.
- Commissions and other fees for services provided by broker-dealers other than Schwab for transactions executed or effected by or through them that settle into or from your account at Schwab such as through our use of Schwab's Prime Brokerage or Trade Away Services. You will be responsible for paying any commissions and other fees or compensation charged by broker-dealers other than Schwab. Because you will pay our wrap fee in addition to any

commissions and/or other charges paid to broker-dealers other than Schwab who execute transactions for your account, we may have an incentive to execute transactions for your accounts through Schwab, and this incentive could, in some circumstances, conflict with our duty to seek best execution.

- You may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with PFA and are compensation to the fund-manager.
- Fees charged by mutual fund companies, unit investment trusts (UITs), closed-end funds and other collective investment vehicles, including, but not limited to sales loads (a portion of which are paid to Schwab) and/or charges and short-term redemption fees.
- Short-term redemption fees charged by Schwab for funds other than those available through the Schwab Mutual fund OneSource® service.
- Markups and markdowns, bid-ask spreads, selling concessions and the like received by Schwab in connection with transactions it executes as principal by selling or buying securities to or from you for its own account. Principal transactions contracts with those in which Schwab acts as your agent in effecting trades between you and a third party. Schwab may make a profit or incur a loss on trades in which it acts as principal. Markups and markdowns and bid-ask spreads are not separate fees, but rather are reflected in the net price at which a trade order is executed.
- Transfer taxes, odd-lot differentials, certificate delivery fees, reorganization fees, fees required by law, and any other fees or charges similar to those described above.

A complete list of Schwab's charges and fees is contained in the *Charles Schwab Institutional Pricing Guide*, which you will receive promptly following the opening of your account with Schwab. PFA will cover all administrative fees, provided not prohibited by any rules or regulations to which PFA is subject.

PFA does not share in any portion of the fees.

Item 4.D – If the person recommending the wrap fee program to the client receives compensation as a result of the client's participation in the program, disclose this fact. Explain, if applicable, that the amount of this compensation may be more than what the person would receive if the client participated in your other programs or paid separately for investment advice, brokerage, and other services. Explain that the person, therefore, may have a financial incentive to recommend the wrap fee program over other programs or services.

Additional Compensation We Receive

We may receive more compensation from your participation in our wrap fee program than if you purchased our investment advisory services and Schwab's (or another broker/custodian's) services separately. As part of the services for the fees we pay Schwab, Schwab pays for its affiliate to provide us with Integrated Office (a customer relationship and portfolio management system and related support services). The Integrated Office benefits us and may indirectly benefit you by enhancing our service to you. If we did not have the fee arrangement with Schwab, as described above, Integrated Office would be available to us only through paying fees for it directly to Schwab's affiliate. Consequently, we may have an incentive to recommend that you participate in our wrap fee program and open your account with Schwab. That incentive may be based on our interest in receiving

Integrated Office as part of our services/fees arrangement with Schwab rather than based on your interest in having the most appropriate fee arrangement for our investment advisory services and the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our recommendation of our wrap fee program, including the use of Schwab as custodian and broker, is in the best interest of those clients to whom we recommend it based on an assessment of their investment objectives, financial situation, our investment plans and anticipated trading activity in their accounts and all other relevant factors.

These practices and our arrangement with Schwab present a conflict of interest and give PFA an incentive to recommend our services and Schwab's services, rather than on a client's needs. PFA will attempt to mitigate conflicts of interest by:

- Informing you of conflict of interest in this Disclosure Brochure.
- Maintaining and abiding by our Code of Ethics which requires us to place your interest first and foremost.
- Routine review of transactions and our relationship with the broker/custodian
- Advising you of the right to decline to implement our recommendations and the right to choose other financial professionals for implementation.
- Recognizing and advising you PFA is a fiduciary and has an obligation to conduct its business in the best interest of its clients and not in PFA's interest.

Item 5 - Account Requirements and Types of Clients

PFA's services are geared toward individuals both high net worth individuals (i.e. clients with a net worth of at least \$2,000,000, exclusive of primary residence or has at least \$1,000,000 under management with PFA) and other than high net worth individuals. Additionally, PFA provides services to pension and profit sharing plans.

PFA generally requires a minimum amount of assets be deposited to an account for the purpose of obtaining asset management services. PFA will generally require clients to deposit a minimum of \$500,000 (cash or securities) to brokerage accounts in order to participate in investment advisory services offered by PFA. The minimum accounts size requirement of \$500,000 is based on an aggregated account value of accounts under management with PFA. However, under certain circumstances, PFA may waive the minimum account size requirement and accept accounts less than \$500,000. Such circumstances may include but not be limited to additional assets will soon be deposited or client has other accounts with PFA. Clients are advised that performance may suffer due to difficulties with diversifying smaller accounts and due to risk controls potentially being compromised.

Item 6 - Portfolio Manager Selection and Evaluation

Portfolio management and asset allocation is determined and provided by advisory representatives of PFA: Ittai Dvir and Shimshon Plotkin. PFA does not engage third party managers to manage a portion of your assets within the wrap account. PFA determines the securities and the allocation of your

managed account. No one person solely makes investment decisions. Investment decisions are made as a group based on research and discussion.

In addition to the asset management wrap program, PFA offers Financial Planning Services.

PFA tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. PFA follows an eight step process in providing its services:

1. Listen to your goals and objectives
2. Review your current financial and investment situation.
3. Discuss issues relevant to your financial goals including retirement, cash flow needs, disposition of assets at death, expectations about returns, feels about risk tolerance, and expectations about the relationship with PFA
4. Evaluate your current investment strategy
5. Develop recommendations including investment strategies, asset allocation, insurance (life, disability, long-term care), and estate planning
6. Present your financial plan
7. Implementation
8. Ongoing and continuous monitoring

PFA will conduct a series of meetings with you to obtain information about your financial situation. Depending on the services you have requested, PFA will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Financial needs
- Cash flow analysis
- Cost of living needs
- Education needs
- Savings tendencies
- Other applicable financial information required by PFA in order to provide the investment advisory services requested.

PFA conducts a variety of analyses to determine the portfolio allocations and holdings. PFA conducts fundamental, technical and cyclical analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns. Cyclical analysis is attempting to determine the patterns of how the economy and/or the market affect a security and attempt to determine the highs and lows of the security.

Investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by PFA will require you to be prepared to bear the risk of loss and fluctuating performance.

PFA does not represent, warrant or imply that the services or methods of analysis used by PFA can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by PFA will provide a better return than other investment strategies.

As stated above in Item 4, PFA uses a combination of various securities in clients' managed portfolios including stocks, bonds, unit investment trusts (UITs), ETFs (including leveraged, leveraged inverse and inverse), real estate investment trusts (REITs), closed end funds, no-load and/or load mutual funds, direct participation programs, and cash.

UITs are a registered investment company that buys and holds a generally fixed income portfolio of stocks, bonds, or other securities. UITs have the following risks:

- UITs are not actively managed and do not sell securities in response to ordinary market fluctuations. Instead, securities will not usually be sold until termination, which could mean that the sale price of the trust securities may not be the highest price at which these securities traded during the life of the trust.
- One of the most significant risks of a unit investment trust is that there is no fund manager to react to changing market conditions. If the stock market begins to fall, the value of the stock securities held within the unit trust will fall as well, potentially making the investment worth less than the original purchase price.

The risks with mutual funds include

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

ETFs (including leveraged, leveraged inverse and inverse) trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index.

- Non-traditional ETFs are trading vehicles in which daily rebalancing and market volatility have a significant impact on the realized return.
- A significant amount of principal could be lost in these securities rapidly.
- Tax laws could change and affect the tax treatment of this investment.
- Leverage: The use of leverage in an investment portfolio can magnify any price movements, resulting in high volatility and potentially significant loss of principal.
- Tracking Risk: ETFs may not track the underlying Index due to imperfect correlation between the ETF's portfolio securities and those in the underlying Index, rounding

prices, changes to the underlying Index and regulatory requirements. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also may result because the ETF incurs fees and expenses while the underlying Index does not.

- **Volatility:** Non-traditional ETFs are volatile and not suitable for all investors. Due to their volatile nature.
- **Holding Period:** Positions in non-traditional ETFs should be monitored closely due to their volatile nature and inability to track the underlying index over an extended period of time. Non-traditional ETFs are not intended to be held long term. ETFs over a period longer than one day can differ significantly from their stated performance objectives.
- **Liquidity:** Some ETFs may be thinly traded which could impact the ability to sell shares quickly.
- **Counterparty Risk:** Non-traditional ETFs and futures-linked ETFs may enter into total return swaps with a counterparty. If the counterparty becomes unable to deliver its share of the contract, it will default on the swap, therefore negatively affecting the value of the non-traditional ETF
- **Non-traditional ETFs are not suitable for most investors.** The effects of mathematical compounding can grow significantly over time, leading to scenarios whereby performance over the long run can differ significantly from the performance (or inverse performance) of their underlying index or benchmark during the same period of time. Leveraged, inverse, and leveraged inverse ETFs may be more volatile and risky than traditional ETFs due to their exposure to leverage and derivatives, particularly total return swaps and futures. In addition, these instruments are typically designed to achieve their desired exposure on a daily (in a few cases, monthly) basis. Holding leveraged, inverse, and leveraged inverse ETFs for longer periods of time potentially increases their risk due to the effects of compounding and the inherent difficulty in market timing.
- **Traditional ETFs are generally not actively managed.** This means that securities in the portfolio will not be purchased or sold in attempt to take advantage of changing market conditions. A traditional ETF may continue to hold securities even though their market value and dividend yields may have changed. An ETF generally carries the same investment risk as the portfolio of securities within the ETF. Securities in a portfolio may depreciate, and the ETF may not achieve its intended objective. In addition, each ETF is subject to specific risks that vary depending on each ETF's investment objectives and portfolio composition. Additionally, while premiums and discounts from net asset value ("NAV") are generally small among ETFs, there is a potential for severe dislocation from NAV.

Alternative Investments risks include:

- No readily available market for liquidation, therefore generally illiquid
- If a market is available, the market is a limited secondary market
- Difficulty in ascertaining an accurate value

The risks with stocks are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with stocks are market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be totally eliminated.

Investing in fixed income securities involves special risks not typically associated with equity securities. These risks include inflation rate risk, credit risk, which is the risk of potential loss due to the inability to meet contractual debt obligations, and interest rate risk, which is the risk that an investment's value will change due to a change in the level of interest rates. Additionally, there is an inverse relationship between bond prices and interest rates specific to fixed income securities. As interest rates rise, bond prices fall and, conversely, as interest rates fall, bond prices rise.

In instances where we recommend that a third party manage your assets, please refer to the third party's Form ADV brochure and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

These are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time PFA will direct the client to the appropriate Web page to access the prospectus.

No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

PFA does not charge performance based fees.

PFA does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact PFA about questions you may have and for opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

Item 7 - Client Information Provided to Portfolio Managers

Your financial history and information and personal information such as social security number, identify verification information, account numbers, etc. will be gathered and obtained by your Advisory Representative. The aforementioned information will be communicated as required by the

account custodian you select to establish your account. Your non-public information will not be disclosed to any third party unless required by law or to provide you the services you have requested.

Item 8 - Client Contact with Portfolio Managers

There are no restrictions or limitations on your ability to contact your Advisory Representative or any member of the PFA management team. You along with your Advisory Representative determine the frequency of meetings and reviews.

Item 9 - Additional Information

Disciplinary Information

There is no reportable disciplinary information required for PFA or its advisory representative that would be deemed material to your evaluation of the advisory services offered by PFA or the integrity of PFA, its principal owners or your Advisory Representative.

Other Financial Industry Activities and Affiliations

Advisory Representatives are dually registered as an advisory representative of PFA and as a registered representative of Independent Financial Group, LLC ("IFG"). You are under no obligation to purchase or sell securities through your Advisory Representative. However, if you choose to implement the plan, commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at IFG than at other broker/dealers. Advisory Representatives have a conflict of interest in having you purchase securities and/or insurance related products through IFG in that the higher their production with IFG the greater potential for obtaining a higher pay-out on commissions earned.

Under the rules and regulations of FINRA, IFG has an obligation to perform certain supervisory functions regarding certain activities engaged in by advisory representatives who are also registered representatives of IFG. For such supervisory functions, PFA may pay IFG a portion of the advisory fees they receive. IFG and PFA are not affiliated.

PFA is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, PFA is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; insurance company or agency; pension consultant; or sponsor or syndicator of a limited partnership.

PFA attempts to mitigate the conflicts of interest (i.e. the potential receipt of commissions if recommendations are implemented) by providing you with these disclosures. Further, you are encouraged to consult other professionals and you may implement recommendations through other

financial professionals. Furthermore, as a registered representative with IFG, Advisory Representatives are subject to a supervisory structure at IFG over their securities business.

Code of Ethics, Participation of Interest in Client Transactions and Personal Trading

Code Of Ethics

PFA has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. PFA takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as PFA's policies and procedures. Further, PFA strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with PFA's Privacy Policy. As such, PFA maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, PFA's Code of Ethics establishes PFA's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.

Neither PFA nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.

PFA and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, PFA and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. PFA and its associated persons will not put their interests before your interest. PFA and its associated persons will not trade in a manipulative manner, in way to harm clients, and/or in a way violate insider trading policies.

PFA is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

Prohibition on Use of Insider Information

PFA has adopted policies and procedures to prevent the misuse of "insider" information (i.e. material, non-public information). A copy of such policies and procedures is available to any person upon request.

Review of Accounts

You will be invited to participate in at least an annual review. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. PFA will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

The following individuals conduct reviews:

Ittai Dvir, Advisory Representative

Shimshon Plotkin, Advisory Representative

You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require a review of your portfolio allocation and recommendations for changes.

You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian. At least annually when you attend the annual review, PFA will provide you with a consolidated report of your managed account. You should compare the report with statements received direct from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

Client Referrals and Other Compensation

Other Products and Services Available to Us from Schwab:

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services described below (in contrast to the Integrated Office, as described above under "Additional Compensation We Receive") are generally available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. Following is a more detailed description of Schwab's support services:

Services That Benefit You.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

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

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

Other Compensation from Vendors

Product vendors recommended by PFA may provide monetary and non-monetary assistance with client events, provide educational tools and resources. PFA does not select products as a result of any monetary or non-monetary assistance. The selection of product that is in the client's best is first and foremost. PFA's due diligence of a product does not take into consideration any assistance it may receive. It is considered by regulators to be a conflict of interest for an investment adviser such as PFA to receive monetary and/or non-monetary assistance from product vendors even if for the direct or indirect benefit of the investment adviser's clients.

PFA has agreements with various alternative investment sponsors for exclusivity to offer alternative investment products to Israeli citizens. **Additionally, many of the alternative investment sponsors pay an incentive or bonus commission to advisory representatives who are registered representatives for any units of the programs purchased by international investors. This is a**

conflict of interest. To help mitigate this conflict of interest, all sales of units of any alternative investment must flow through the broker/dealer with which the advisory representative is registered and the applications go through a suitability review.

Use of Solicitors

Associated persons of PFA, either acting as associated persons of PFA or as registered representatives of Independent Financial Group, LLC, may from time to time interact with individuals (“Solicitors”) in Israel for the purpose of referring clients. These dealings are subject to certain FINRA rules, as well as SEC rules governing investment advisers. PFA may enter into arrangements with Solicitors whereby the Solicitors will refer clients who may be a candidate for investment advisory services to PFA. In return, PFA will agree to compensate the Solicitor for the referral. Compensation to the Solicitor is dependent on the client entering into an advisory agreement with PFA for advisory services. Compensation to solicitor will be an agreed upon percentage of the total investment amount transferred or deposited to the custodian account and maintained in the account. The solicitation/referral fee is paid pursuant to a written agreement retained by both the investment adviser and the Solicitor. The Solicitor will be required to provide the client with a copy of PFA’s Disclosure Brochure and a Solicitor Disclosure prior to or at the time of entering into any investment advisory contract with PFA. Solicitor is not permitted to offer clients any investment advice on behalf of PFA. Clients’ advisory fee will not be increased as a result of compensation being shared with Solicitor.

Financial Information

PFA will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.

As stated above, PFA has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of PFA’s advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.

Neither PFA nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.