

**Item 1: Cover Sheet**

**INFORMATIONAL BROCHURE**



**MITLIN FINANCIAL, INC.**

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**May 8, 2019**

**This brochure provides information about the qualifications and business practices of Mitlin Financial, Inc. If you have any questions about the contents of this brochure, please contact us at (631) 952-4466. 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. Mitlin Financial, Inc. is a registered investment adviser. Registration as an investment adviser does not imply any special degree of skill or training, or any sort of approval by any regulatory authority of an adviser's investment methods.**

**Additional information about Mitlin Financial, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2:        Statement of Material Changes**

Mitlin Financial, Inc. is required to disclose any material changes to this ADV Part 2A here in Item 2. There are no material changes to report.

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## INFORMATIONAL BROCHURE

### MITLIN FINANCIAL, INC.

#### **Item 4: Advisory Business**

Mitlin Financial, Inc. was formed in September 2004. Mitlin Financial, Inc. became a fully independent investment adviser in June 2011. Lawrence Sprung, the firm's only principal, has been in the business of providing investment advice to clients since 1996.

Mitlin Financial, Inc. provides personalized financial planning and/or investment management services. Clients advised may include individuals, trusts, foundations, and other client types.

#### Financial Planning

For investment management clients who have financial planning questions or require brief analyses, such financial planning projects will be done at no additional charge. Clients who need more comprehensive planning (generally new clients or those with change in situation) may receive such services for a separate financial planning fee. In most cases, the client will supply to Mitlin Financial, Inc. information including income, investments, savings, insurance, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you, and compare your current financial situation with the goals you state. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Not every plan will be the same for every client. Each one is specific to the client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. Also, your circumstances and needs may change as your engagement with us progresses. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

Once you have your financial plan, the decision is yours how to implement it. If you decide to implement your financial plan through Mitlin Financial, Inc., you will become an investment management client.

If you request, Mitlin Financial, Inc. may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from Mitlin Financial, Inc. If you engage any professional recommended by Mitlin Financial, Inc., and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

#### Investment Management

Mitlin Financial, Inc. requires each client seeking investment management services to place at least \$500,000 with us. We may waive this account minimum under certain circumstances, in our discretion.

If you wish us to manage your investment accounts, we will ask you to provide us with investment guidelines, so that we can create asset allocations that meet your needs. Some examples of guidelines include your risk tolerance, or a maximum amount of assets to be held in non-U.S. investments, or a limit on the amount of stocks in your portfolio. Mitlin Financial, Inc. can assist you in developing these guidelines. Each client will have a written asset allocation statement to guide both you and us in the management of your assets.

Investment management services will be provided on a “discretionary” or a “non-discretionary” basis. When Mitlin Financial, Inc. is engaged to provide investment management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Mitlin Financial, Inc.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you.

Mitlin Financial, Inc. does not participate in, or sponsor, a wrap fee program.

#### Assets Under Management

As of January 1, 2019, Mitlin Financial Inc. has \$45,406,646 assets under management, in 298 accounts. Of these accounts, 295 accounts are managed on a discretionary basis, representing \$45,007,442 in assets under management, and 3 accounts, representing \$399,204 are managed on a non-discretionary basis.

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

#### **A. Fees Charged**

All investment management clients will be required to execute an agreement that will describe the type of management services to be provided and the fees, among other items.

#### Financial Planning

For investment management clients who have financial planning questions or require brief analyses, such financial planning projects will be done at no additional charge. Clients who need more comprehensive planning (generally new clients or those with change in situation may receive such services for a separate financial planning fee). Financial planning fees are charged on a fixed fee basis. Fixed fee rates vary from \$2,000 to \$10,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable, and will

depend on the anticipated complexity of your plan. Some clients may also engage Mitlin Financial, Inc. on a project basis to provide advice on isolated matters, such as an evaluation of a client's employer-sponsored retirement plan.

#### Investment Management

Generally, fees vary from 0.50% to 1.75% per annum of the market value of a client's assets managed by Mitlin Financial, Inc. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

#### B. Fee Payment

##### Financial Planning

Fees for financial planning will be billed to each client, and are payable as follows:

50% is due upon commencement and 50% due upon delivery of the plan. If the client terminates the Financial Planning Agreement prior to completion of the plan, any unearned fees will be returned to the client.

##### Investment Management

Investment advisory fees will be deducted directly from each client's account. The advisory fee is paid monthly, in advance, and in limited circumstances fees may be paid quarterly, in advance. The value used for the fee calculation is the gross value as of the last market day of the previous month. This means that if your annual fee is 1.00%, then each month we will multiply the value of your account by 1.00%, then divide by 365 and multiply that by the number of days in the month to calculate our fee. For assets deposited into or withdrawn from an account after the inception of a billing period, the fee payable is prorated based on the number of days remaining in the billing period. Any reduction in fees related to the withdrawal of assets in an account will be credited against the next billing period's investment advisory fees. Additionally, assets allocated to cash or a cash proxy, such as a money market account, will be included in the calculation of assets under management. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Mitlin Financial, Inc.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. At least quarterly, clients will receive a statement from their account custodian showing all transactions in their account, including the fee. All clients will also receive a quarterly report from Mitlin Financial, Inc.

#### C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. You will be responsible for fees including brokerage fees, transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual

fund, you should read a copy of the prospectus issued by that fund. Mitlin Financial, Inc. can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

#### *D. Pro-rata Fees*

Financial Planning: Clients are free to terminate financial planning services. If a client terminates the Financial Planning Agreement, any unearned fees will be returned to the client.

Investment Management: If you become a client during a month, you will pay a management fee for the number of days left in that month. If you terminate our relationship during a month, you will be entitled to a refund of any management fees for the remainder of the month. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct.

Mitlin Financial, Inc. will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be “de-linked”, meaning they will no longer be visible to Mitlin Financial, Inc. and will become a retail account with the custodian.

#### *E. Compensation for the Sale of Securities.*

Not Applicable.

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

Mitlin Financial, Inc. will not charge performance based fees.

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

Clients advised may include individuals, trusts, foundations, pensions and corporations. The minimum account size is \$500,000, though this minimum may be waived in the discretion of Mitlin Financial, Inc.

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

It is important for you to know and remember that all investments carry risks. Investing in securities involves risk of loss that clients should be prepared to bear.

Each client’s portfolio will be invested according to that client’s investment objectives. We generally determine these objectives by interviewing the client and reviewing information provided by the client. Once assets are transferred, we will produce a written set of asset allocation guidelines and in most cases, the assets are placed in one of our five investment programs, each with a different asset allocation strategy. An asset allocation strategy is a percentage-based allocation to different investment types and will become our guiding principles for managing your account. For example, an asset allocation strategy that calls for 40-60% of the portfolio to be invested in equity securities,

with 20% of that allocated to international equities and the remaining balanced in fixed income. Another asset allocation strategy may have 50-60% in fixed income securities and the remainder equities. The percentages in each type that we recommend are based on the typical behavior of that security type, individual securities we follow, current market conditions, your current financial situation, your financial goals, and the timeline to get you to those goals.

The investment programs are not investment products. Clients may have different needs than others within the same investment program. Accordingly, not all clients in each investment program will have the exact same percentages of each underlying investment.

Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client's. Once we agree on allocation guidelines, risk tolerance, time horizon, and how to achieve these results, we will develop a written investment policy statement to guide all parties involved in the execution of these goals.

It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary. When Mitlin Financial makes changes to an investment program, these changes may not be made simultaneously. Rather, some accounts may be modified before others. This may result in accounts being traded earlier inadvertently having an advantage over accounts traded later.

The investment programs utilized include:

**Current Income Portfolio:** This portfolio's primary investment objective is to provide current income. This is for an investor seeking income.

**Balanced Portfolio:** This portfolio's primary investment objective is to provide some current income with capital appreciation. This is for an investor seeking a balance between capital appreciation and income.

**Growth & Income Portfolio:** This portfolio's primary investment objective is to provide minimal current income with a greater emphasis on capital appreciation. This is for an investor seeking capital appreciation with lower volatility.

**Growth Portfolio:** This portfolio's primary investment objective is to provide capital appreciation with some exposure to fixed income. This is for an investor seeking growth in their portfolio.

**Maximum Growth Portfolio:** This portfolio's primary investment objective is to provide capital appreciation. This portfolio is for an investor seeking growth.

The specific securities we recommend for your account will depend on market conditions and our research at the time. Generally, we recommend a mix of stocks, bonds, exchange traded funds, mutual funds, variable annuities and options. We research securities on a fundamental basis, which means that we review what we believe the value of the security is, and what we think it will be in the future. We base our conclusions on predominantly publicly available research, such as corporate filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.



Additionally part of the Mitlin Financial, Inc. process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Mitlin Financial, Inc. attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each household's consent.

There are always risks to investing. It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Strategy Risk.** When investments are made through a strategy, rather than individualized investment considerations, there is always the possibility that individualized investment choices would have produced a more positive result for a client than an approach where investments are made for a group of individuals with common characteristics.
- **Tax Risks Related to Short Term Trading:** Clients should note that Mitlin Financial, Inc. may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. Mitlin Financial, Inc. endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Risks Related to Investment Term.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

- **Margin Risk.** “Margin” is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Mitlin Financial, Inc. utilizes margin on a limited basis for clients with higher risk tolerances.
- **Short Sales.** “Short sales” are a way to implement a trade in a security Mitlin Financial, Inc. feels is overvalued. In a “long” trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor’s loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. Mitlin Financial, Inc. utilizes short sales only when the client’s risk tolerances permit.
- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.
- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company’s future. For example, a company’s management may lack experience, or the company’s capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.
- **Concentration Risk.** While Mitlin Financial, Inc. selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client’s equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client’s equity portfolio may be affected negatively, including significant losses.
- **Transition Risk.** As assets are transitioned from a client’s prior advisers to Mitlin Financial, Inc. there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by Mitlin Financial, Inc. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to

be sold. The inability to transition a client's holdings into recommendations of Mitlin Financial, Inc. may adversely affect the client's account values, as Mitlin Financial, Inc.'s recommendations may not be able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.
- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

#### **Item 9:       Disciplinary Information**

None to report.

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

##### **A. Broker-dealer**

No employee of Mitlin Financial, Inc. is registered as a representative of a broker-dealer.

##### **B. Futures Commission Merchant/Commodity Trading Advisor**

No employee of Mitlin Financial Inc. is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

##### **C. Relationship with Related Persons**

As a fiduciary, Mitlin Financial, Inc. has certain legal obligations, including the obligation to act in clients' best interest. Mitlin Financial, Inc. maintains a Business Continuity and Succession Plan and seeks to avoid a disruption of service to clients in the event of an unforeseen loss of key personnel, due to disability or death. To that end, Mitlin Financial, Inc. has entered into a succession agreement with TrinityPoint Wealth, LLC, effective July 23, 2018. Mitlin Financial, Inc. can provide additional information to any current or prospective client upon request to Lawrence Sprung, President at 631-952-4466 or [lsprung@mitlinfinancial.com](mailto:lsprung@mitlinfinancial.com).

Mr. Sprung is separately licensed as an independent insurance agent. As such, Mr. Sprung may conduct insurance product transactions for Mitlin Financial, Inc. clients, in his capacity as a licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as an employee of Mitlin Financial, Inc. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. Mr. Sprung therefore has an incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Mitlin Financial, Inc. or utilize Mr. Sprung to implement any insurance recommendations.

Mitlin Financial, Inc. attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with Mitlin Financial, Inc., or to determine not to purchase the insurance product at all. Mitlin Financial, Inc. also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Mitlin Financial, Inc., which requires that employees put the interests of clients ahead of their own.

**D. Recommendations of Other Advisers**

Mitlin Financial, Inc. does not utilize nor select other advisers or third party managers at this time. All assets are managed by Mitlin.

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

- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.
- B. Not applicable. Mitlin Financial, Inc. does not recommend to clients that they invest in any security in which Mitlin Financial, Inc. or any principal thereof has any financial interest.
- C. On occasion, an employee of Mitlin Financial, Inc. may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.
- D. On occasion, an employee of Mitlin Financial, Inc. may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **Item 12: Brokerage Practices**

### **A. Recommendation of Broker-Dealer**

Mitlin Financial, Inc. currently recommends that investment accounts be held in custody by TD Ameritrade Institutional (“TDA”). TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Mitlin Financial, Inc. receives some benefits from TD Ameritrade through its participation in the programs, because Mitlin Financial, Inc. receives the benefits (access to trading platforms that assist Mitlin Financial, Inc. in executing trades efficiently, proprietary research that helps Mitlin Financial, Inc. make investment decisions, and access to other TD Ameritrade educational products such as (the “Benefits”) without having to pay for the benefits. The receipt of these benefits may present a conflict of interest, in that the receipt of the benefits gives Mitlin Financial, Inc. an incentive to recommend TD Ameritrade over another broker-dealer who does not give Mitlin Financial, Inc. such benefits. However, Mitlin Financial, Inc. believes that the Benefits given to Mitlin Financial, Inc. by TD Ameritrade benefit clients indirectly, as they assist Mitlin Financial, Inc.’s trading and research processes. Not all of the Benefits will be used for all clients. Because of the nature of the Benefits, the Benefits cannot and are not allocated only to certain clients. The recommendation of TD Ameritrade may cause clients to pay commissions that are higher than those the clients may pay for the same trades at another broker-dealer. TDA is a third party, wholly independent of Mitlin Financial, Inc. It is expected that most, if not all, transactions in a given client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

TDA, like all broker-dealers, charges brokerage commissions or transaction fees for trades in client accounts. Commissions are per-share or per trade charges for the execution of either a purchase or sale of securities (stocks or bonds). Transaction fees are charged for the execution of a purchase or sale of mutual funds. Mitlin Financial, Inc. does not and will not receive any portion of these transaction charges from TDA. In addition to the management fee paid to Mitlin Financial, Inc., and the transaction fees/commissions charged by the custodian acting as a broker-dealer, some of the mutual funds will also charge transaction fees.

Mitlin Financial, Inc. recommends certain broker-dealers to its clients based on a variety of factors. These include, but are not limited to, commission costs. In choosing a broker-dealer or custodian to recommend, Mitlin Financial, Inc. is most concerned with the value the client receives for the cost paid, not just the cost. Other factors that may be considered in determining overall value include speed and accuracy of execution, financial strength, knowledge and experience of staff, research and service. Specifically, TDA has what can be considered discount commission rates, as well as arrangements with many mutual funds that enable Mitlin Financial, Inc. to purchase these mutual funds for client accounts at reduced transaction charges (as opposed to other broker-dealers). Mitlin Financial, Inc. re-evaluates the use of TDA and other broker-dealers at least annually to determine if these custodians are still the best value for Mitlin Financial, Inc. clients.

Mitlin Financial, Inc. may also open “omnibus” accounts at other broker-dealers when Mitlin Financial, Inc. believes such firms can better facilitate certain transactions for the clients. The brokerage firms opening such accounts do not name the client on the account but instead use the account to facilitate purchase and sale transactions for Mitlin Financial, Inc. and then send transaction information to the client’s custodian. Mitlin Financial, Inc. team members review the confirmations after such transactions occur to be sure proper execution and delivery of securities are made to client accounts.

Some clients may come to Mitlin Financial, Inc. with accounts held at other broker-dealers. Mitlin Financial, Inc. does not require that clients hold their assets at TDA. However, Mitlin Financial, Inc. cannot guarantee that clients who choose to keep assets as an alternative broker-dealer will receive best execution with regard to trades made in their account. Further, because Mitlin Financial's access to information may differ from access to information for clients whose assets are held at TDA, there may be delays in meeting client needs.

#### B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example,  $\frac{1}{4}$  of a share, or a position in the account or less than 1%.)

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

All accounts will be reviewed by Lawrence Sprung on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

All clients will receive a quarterly report from Mitlin Financial, Inc. This report will include valuations as of the end of each quarter and current asset allocations for accounts held at TDA. In some instances, for accounts held by other custodians, we may be able to include those assets in a consolidated report, provided we have access to that information. Clients will also receive statements from TDA, and copies of all trade confirmations directly from TDA.

We encourage you to compare the information on your quarterly report prepared by Mitlin Financial, Inc. against the information in the statements provided directly from TDA and alert us of any discrepancies.

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

Clients may be introduced to Mitlin Financial, Inc. via other third parties. In the event that Mitlin Financial, Inc. compensates any party for the referral of a client to Mitlin Financial, Inc., any such compensation will be paid by Mitlin Financial, Inc., and not the client. If the client is introduced to Mitlin Financial, Inc. by an unaffiliated third party, that third party will disclose to the client the referral arrangement with Mitlin Financial, Inc., including the compensation for the referral, and provide the client a copy of Mitlin Financial, Inc.'s ADV Part 2A and 2B. The referral source will also provide a written disclosure to the client regarding the relationship between Mitlin Financial, Inc. and the referral source, including the fact that referral fees will be paid.

**Item 15: Custody**

Mitlin Financial, Inc. deducts fees from client accounts, but would not have custody of client funds otherwise. Clients will receive statements directly from TDA, and copies of all trade confirmations directly from TDA.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets the fee is based, and the time period covered by the fee. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your reports prepared by Mitlin Financial, Inc. against the information in the statements provided directly from TDA. Please alert us of any discrepancies.

**Item 16: Investment Discretion**

Asset management services may be provided on a “discretionary” basis. This means that we will have discretion to choose the securities in your portfolio, the amount of each position in your account, and when those allocations should change. When Mitlin Financial, Inc. is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Mitlin Financial, Inc.

**Item 17: Voting Client Securities**

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. Mitlin Financial, Inc. will not accept authority to vote client securities. Clients may contact Mitlin Financial, Inc. with any questions about a particular proxy solicitation. Mitlin Financial, Inc. will not give advice on how to vote proxies. Clients will receive their proxies directly from the custodian for the client account.

**Item 18: Financial Information**

Mitlin Financial, Inc. does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

Mitlin Financial, Inc. has discretion over client accounts. There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.

Neither Mitlin Financial, Inc. nor any of its employees has been the subject of a bankruptcy petition at any time during the past ten years.