



Firm Brochure

(Part 2A of Form ADV)

Teplitz Financial Group LLC

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This brochure provides information about the qualifications and business practices of Teplitz Financial Group LLC ("TFG"). If you have any questions about the contents of this brochure, please contact us at: 732- 591-0909 or by email at: ateplitz@teplitzfinancial.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), or by any state securities authority.

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

References herein to TFG as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

February 29, 2024

TEPLITZ FINANCIAL GROUP LLC

TEPLITZ FINANCIAL GROUP LLC
Form ADV, Part 2A

Item 2 - Material Changes

Annual Update

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

Material Changes since the Last Update

There have been no material changes since the firm's last release.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (732) 591-0909 or by email at: ateplitz@teplitzfinancial.com.

TEPLITZ FINANCIAL GROUP LLC
Form ADV, Part 2A

Item 3 - Table of Contents

<i>Advisory Business.....</i>	<i>1</i>
<i>Fees and Compensation</i>	<i>5</i>
<i>Performance-Based Fees and Side-By-Side Management</i>	<i>9</i>
<i>Types of Clients.....</i>	<i>9</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss.....</i>	<i>9</i>
<i>Disciplinary Information.....</i>	<i>12</i>
<i>Other Financial Industry Activities and Affiliations</i>	<i>12</i>
<i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</i>	<i>14</i>
<i>Brokerage Practices</i>	<i>15</i>
<i>Review of Accounts.....</i>	<i>18</i>
<i>Client Referrals and Other Compensation</i>	<i>18</i>
<i>Custody</i>	<i>19</i>
<i>Investment Discretion</i>	<i>20</i>
<i>Voting Client Securities</i>	<i>20</i>
<i>Financial Information.....</i>	<i>20</i>
<i>Information for State-Registered Advisers</i>	<i>21</i>

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Item 4 - Advisory Business

Teplitz Financial Group LLC ("TFG") is a limited liability company formed in the state of New Jersey on June 28, 2002. TFG became registered as an Investment Adviser Firm on September 2, 2005, and recently transitioned from a state registered investment adviser in New Jersey to a federally covered adviser with the SEC in July 2022. TFG is owned by Daniel and Ari Teplitz. Ari also acts as TFG's CCO. As discussed below, TFG offers to its clients (individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and business entities) investment advisory services, and, to the extent specifically requested by a client, financial planning, and consulting.

INVESTMENT ADVISORY SERVICES

The client can determine to engage TFG to provide discretionary investment advisory services on a *fee-only* basis. TFG's annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under TFG's management (between 1.00% and 1.50%) as follows:

Market Value of Portfolio	% of Assets
\$0 - \$1,000,000	1.0%
\$1,000,001 - \$2,500,000	0.75%
\$2,500,001 - \$5,000,000	0.56%
\$5,000,001 - \$10,000,000	0.42%
\$10,000,001+	0.31%

TFG's annual investment advisory fee may be discounted at TFG's discretion and shall include investment advisory services. The fees listed in the above table are a blended tier starting at 1% of the first \$1,000,000, then .75% after achieving the next threshold. In the event the client requires extraordinary financial planning (to be determined in the sole discretion of TFG), TFG may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

FINANCIAL PLANNING AND CONSULTING SERVICES

To the extent specifically requested by TFG we may determine to provide financial planning and/or consulting services on a stand-alone separate fee basis.

TFG's financial planning and consulting fees are negotiable, but generally range from a fixed fee of \$1,500 to \$3,000 and from \$150 to \$250 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

Prior to engaging TFG to provide financial planning and consulting services, clients are generally required to

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

enter into a *Financial Planning and Consulting Agreement* with TFG setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to TFG commencing services. If requested by the client, in performing its services, TFG shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. TFG may recommend the services of itself, its *Advisory Affiliates* in their individual capacities as registered representatives of a broker-dealer, and/or other professionals to implement its recommendations.

Clients are advised that a conflict of interest exists if TFG recommends its own services. The client is under no obligation to act upon any of the recommendations made by TFG under a financial planning/consulting engagement and/or engage the services of any such recommended professional, including TFG itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of TFG's recommendations. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from TFG.

Please Note: If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Please Also Note: It remains the client's responsibility to promptly notify TFG if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising TFG's previous recommendations and/or services.

SUB-ADVISORY ARRANGEMENTS

TFG may engage sub-advisors for the purpose of assisting it with the management of its client accounts. The sub-advisor(s) shall have discretionary authority for the day-to-day management of the assets that are allocated to it by TFG. The sub-advisor shall continue in such capacity until such arrangement is terminated or modified by TFG. Currently, TFG may recommend the investment management services of SEI Private Trust Company ("SEI"), Schwab Advisor Services ("Schwab") and AssetMark.

The terms and conditions under which the client shall engage the *Independent Manager(s)* shall be set forth in separate written agreements between (1) the client and TFG and (2) the client and the designated *Independent Manager(s)* and/or wrap fee program sponsor.

TFG shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which TFG shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Manager(s)*. Factors that TFG shall consider in recommending *Independent Manager(s)* include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager(s)*, together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, TFG's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by TFG, the designated *Independent*

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Manager(s), wrap fee program sponsor (if applicable), and corresponding broker- dealer and custodian. Certain *Independent Manager(s)* may impose more restrictive account requirements and varying billing practices than TFG. In such instances, TFG may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Manager(s)* or wrap fee program sponsor.

If TFG refers a client to certain *Independent Manager(s)* where TFG's compensation is included in the advisory fee charged by such *Independent Manager(s)* and the client engages those *Independent Manager(s)*, TFG shall be compensated for its services by receipt of a fee to be paid directly by the *Independent Manager(s)* to TFG in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements, but not to exceed an aggregate amount of 3%.

TFG's Chief Compliance Officer, Ari Teplitz, remains available to address any questions concerning TFG's sub-advisory arrangements.

CUSTODIANS

TFG may contract with other firms for administrative services in carrying out its duties under the Asset Management Agreement, including trade processing at the direction of TFG, collection of management fees, record maintenance and report preparation, and Client agrees to execute a limited power of attorney in favor of such firms as required for them to carry out those services.

TFG intends to use SEI, Schwab and AssetMark for such services, plus research and marketing assistance. Client acknowledges that SEI, Schwab and AssetMark act only as a provider of administrative services to TFG and TFG is responsible to client for all investment advice provided pursuant to the Investment Advisory Agreement. No additional fee is paid by TFG to SEI, Schwab or AssetMark.

DISCLOSURE STATEMENT

A copy of TFG's written Brochure as set forth in this Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Management Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of TFG's written Brochure at least 48 hours prior to executing the *Investment Management Agreement or Financial Planning and Consulting Agreement* shall have five (5) business days after executing the agreement to terminate TFG's services without penalty.

TFG shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, TFG shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on TFG's services.

TFG currently has sub-advisor arrangements with AssetMark Investment Management.

AssetMark Investment Management: AssetMark acts in a sub-advisory capacity for TFG client accounts. An

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

advisory agreement with TFG will be retained to allow AssetMark to act in a sub- advisory capacity. TFG will direct AssetMark to manage the account according to specified guidelines. AssetMark allocates portfolios among individual securities and/or fixed income and retail mutual funds and ETFs through allocations discussed with TFG. Fund groups and ETF sponsors, if used, are compensated by expense ratio.

Under this sub-advisory arrangement AssetMark may have limited contact with clients and will manage accounts according to the instructions of TFG, who has retained AssetMark to act in a sub-advisory capacity. The advisory fees received by AssetMark will be determined by the agreement entered into between TFG and AssetMark.

Financial Planning: TFG IARs can provide comprehensive, individualized financial planning services to clients, either on an hourly or fixed fee basis. The Financial Plan may be for a portion of the overall financial needs of the client or a completed comprehensive plan of the client's entire needs which may include analysis of investable assets, college planning, retirement planning as well as insurance needs. Analysis is based on the goals of the Client which are gathered in meetings with the IAR.

All advisory services are required to be tailored to the individual needs of the Client. IARs will determine and gather necessary data during client meetings. Such data may include client's current financial situation, client's personal goals and objectives, tolerance for risk and investment style of the client. This information can be gathered in various forms, including conversations between the Client and IAR, and/or the Client completing questionnaires to assess tolerance of investment risk, or other questionnaires when appropriate. Clients may impose restrictions on specific securities or types of securities. IARs will honor this restriction by documenting the file. Clients should communicate the request for restriction to the IAR.

As of December 31, 2023, TFG had \$101,810,008 in assets under management on a discretionary basis and \$5,087,357 in assets under management on a non-discretionary basis for a total of \$106,897,365 in assets under management.

Item 5 - Fees and Compensation

INVESTMENT ADVISORY SERVICES

The client can determine whether to engage TFG to provide discretionary or non-discretionary investment advisory services on a *fee-only* basis. TFG's annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under TFG's management as follows:

Market Value of Portfolio	% of Assets
\$0 - \$1,000,000	1.0%
\$1,000,001 - \$2,500,000	0.75%
\$2,500,001 - \$5,000,000	0.56%
\$5,000,001 - \$10,000,000	0.42%
\$10,000,001+	0.31%

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Clients may elect to have TFG's advisory fees deducted from their custodial account. Both TFG's Investment Management *Agreement* and the custodial/ clearing agreement may authorize the custodian to debit the account for TFG's investment advisory fee and to directly remit that management fee to TFG in compliance with regulatory procedures. In the limited event that TFG bills the client directly, payment is due upon receipt of TFG's invoice.

TFG shall deduct fees and/or bill clients quarterly in arrears or in advance depending on the custodians and/or advisory services selected, based upon the market value of the assets on the last business day of the quarter. It should be noted that the total fees charged to clients by both the firm and a third-party money manager will not exceed 3% of the assets under management per year. In calculating the market value of a client's assets, assets allocated to cash or a cash proxy, such as a money market account, will be included in the calculation of assets under management.

FINANCIAL PLANNING AND CONSULTING

To the extent specifically requested by a client, TFG *may* determine to provide financial planning and consulting on a stand-alone separate fee basis. TFG's financial planning fees are negotiable, but generally range from a fixed fee of \$1,500 to \$3,000 and from \$150 to \$250 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

Clients may elect to have TFG's advisory fees deducted from their custodial account. Both TFG's Investment Management *Agreement* and the custodial/ clearing agreement may authorize the custodian to debit the account for TFG's investment advisory fee and to directly remit that management fee to TFG in compliance with regulatory procedures. In the limited event that TFG bills the client directly, payment is due upon receipt of TFG's invoice.

For SEI and Schwab accounts, fees are collected quarterly in arrears and for AssetMark fees are paid quarterly in advance. To the extent applicable, custodians sometimes charge transaction fees for affecting certain mutual fund securities to include account maintenance and termination fees.

SEI Private Trust Company and Schwab Advisor Services

Fees are billed quarterly based on the fair market value of the assets in the account on the last day of the most recently completed quarter. SEI and Schwab platform fees, which are a portion of the Advisory Fees retained by SEI and Schwab for asset management, may not be directly billed to the Client and are deducted from the assets of the Account. The fees retained by TFG may be deducted from the assets of the Account or billed directly to the Client by TFG.

Mutual Fund and ETF Fees

The Fee does not include special requests by clients or the internal management, operating or distribution fees or expenses imposed or incurred by Mutual Funds or ETFs. Clients should read each fund or ETF's prospectus for a more complete explanation of these fees and expenses, which include fees for management, administration, shareholder servicing, distribution, transfer agent, custodial, legal, audit and other services.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Clients may invest directly in mutual funds or ETF's without paying the advisory fee. Thus, it may be cheaper for clients to invest in Mutual Funds and ETF's. However, clients will not receive the services provided by TFG if they choose to do so. TFG does not represent that the fee a client pays is the same as or lower than that charged to other clients who invest in TFG or is the same as or lower than that charged by other sponsors of comparable programs for accounts of comparable size or investment objectives.

When selecting mutual funds that have multiple share classes for recommendation to clients, TFG will take into account the internal fees and expenses associated with each share class, and it is TFG policy to choose the lowest-cost share class, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund.

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to TFG. Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Fee Arrangements

As discussed below, unless the client directs otherwise or an individual client's circumstances require, TFG shall generally recommend and not require that American Portfolios Financial Services, Inc. ("APFS") will serve as the broker-dealer, SEI and Schwab will serve as custodians and AssetMark as an independent sub-advisor for client investment management assets. Other sub-advisors may be chosen through the SEI and Schwab advisory platforms. Broker-dealers such as APFS charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions charged for individual equity and fixed income securities transactions).

It should be made clear that APFS, if agreed by the client to perform certain brokerage transactions are made separate and apart from TFG's investment advisory business.

In addition to TFG's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker/dealers with whom TFG and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other various SEC-registered and FINRA member broker-dealers (in which event, the client shall incur both the transaction fee charged by the executing broker-dealer and a "tradeaway" fee, if any charged by APFS).

INVESTMENT MANAGEMENT

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a pro rata basis. The Investment Management Agreement between TFG and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. TFG's annual fee shall be prorated

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

FINANCIAL PLANNING AND CONSULTING

Prior to engaging TFG to provide financial planning and consulting services, the client will generally be required to enter into a written agreement with TFG setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to TFG commencing services. Generally, TFG requires one-half of the financial planning/consulting fee (estimated hourly or fixed) payable upon entering into the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates TFG's financial planning and consulting services, the balance of TFG's unearned fees (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services, the client shall be entitled to a full refund.

Other Fees

If the client desires, the client can engage TFG's associated persons in their individual capacities as registered representatives of American Portfolios Financial Services ("APFS"), a FINRA broker-dealer, to implement investment recommendations. In the event the client chooses to purchase investment products through TFG's associated persons, as a registered representative of APFS, brokerage commissions will be charged by APFS to effect securities transactions, a portion of which commissions shall be paid by APFS to applicable associated person. Prior to effecting any transactions, the client will be required to enter into a new account agreement with APFS. Please refer to page 14 below for a discussion of TFG's brokerage practices.

A conflict of interest may exist between the interests of TFG and/or its IARs and the interests of client in that TFG and IARs offer financial planning and investment advisory services for a fee and also offer various securities products for which they may be paid a commission in their capacity of a registered representative of the broker/dealer. The securities products available through TFG may be limited to certain products that have been reviewed and made available for offering through APFS with which IARs may be RRs.

Lower fees for comparable services may be available from other sources. Material conflicts of interest have been disclosed to the client in writing via this Form ADV, Part 2A that could cause TFG or IARs to not render unbiased and objective advice.

Clients are advised that the investment recommendations and advice offered by TFG are not legal advice, accounting advice and/or tax advice. Clients should coordinate and discuss the impact of financial advice with their attorney and/or accountant. Clients are advised that it is necessary to inform TFG promptly with respect to any changes in client's financial situation and investment goals and objectives. Failure to notify TFG of any such changes could result in investment recommendations not meeting the needs of client. At all times clients have the option to purchase investment products recommended by TFG through unaffiliated brokers or agents.

Less than 10% of TFG's revenue from advisory clients' results from commissions and other compensation for the sale of investment products you recommend to your clients, including asset-based distribution fees from

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

the sale of mutual funds. Advisory fees are only charged to advisory clients; however, client can also enter into a relationship with Ari Teplitz in his capacity as a registered representative thereby allowing commissions to be charged on a separate and distinct account with no reduction in advisory fees.

Item 6 - Performance-Based Fees

Neither TFG nor any supervised person of TFG accepts performance-based fees.

Item 7 - Types of Clients

TFG's clients shall generally include individuals, pension, and profit-sharing plans, trusts, estates, charitable organizations, corporations, and business entities. TFG does not require an annual minimum account size for investment advisory services. Client engagements are always at TFG's discretion.

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

Security analysis methods involve the following fundamental analysis: Modern Portfolio Theory – TFG's investment approach is firmly rooted in the belief that markets are "efficient", and that investor's returns are determined primarily by asset allocation decisions, rather than market timing or security selection. TFG recommends diversified portfolios, principally through use of actively or passively managed mutual funds, ETFs, individual securities, and fixed income securities.

Two Kinds of Risk

Modern portfolio theory states that the risk for individual stock returns has two components:

Systematic Risk – These are market risks that cannot be diversified away. Interest rates, recessions and wars are examples of systematic risks.

Unsystematic Risk – Also known as "specific risk", this risk is specific to individual stocks and can be diversified away as you increase the number of stocks in your portfolio.

It represents the component of a stock's return that is not correlated with general market moves.

For a well-diversified portfolio, the risk – or average deviation from the mean – of each stock contributes little to portfolio risk. Instead, it is the difference – or covariance – between individual stock's levels of risk that determines overall portfolio risk. As a result, investors benefit from holding diversified portfolios instead of individual stocks.

TFG may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year) TFG's investment philosophy is designed for investors who desire a buy and hold strategy, with an investment time horizon minimum of five years and preferably ten years or more.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

- Short Term Purchases (securities sold within a year) Investment Strategies

TFG's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, TFG must have access to current/new market information. TFG has no control over the dissemination rate of market information; therefore, unbeknownst to TFG, certain analyses may be compiled with outdated market information, severely limiting the value of the TFG's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

TFG's primary investment strategies – Long Term Purchases and Short-Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop.

Shorter-term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

Currently, TFG primarily allocates client investment assets among various individual securities, exchange-traded funds ("ETF"), mutual funds, and/or fixed income securities, on a discretionary basis in accordance with the client's designated investment objective(s). At a client's specific request, an account may be managed on a non-discretionary basis.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

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

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. TFG will work with each Client to determine their tolerance for risk as part of the portfolio construction process. The following are some of the risks associated with the Advisor's investment strategies:

- **ETF Risks:** The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.
- **Mutual Fund Risks:** The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.
- **Equity Securities:** Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- **Fixed Income:** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

interest rates rise, the value of fixed income securities held by the Fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

- Real Estate Investment Trust (REIT): A REIT is an entity, typically a trust or corporation that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

Item 9 - Disciplinary Information

There are no legal or disciplinary events involving TFG or any management person.

Item 10 - Other Financial Industry Activities and Affiliations

Ari Teplitz, in his individual capacity is a registered representative of American Portfolios Financial Services ("APFS"), a FINRA broker-dealer, to implement investment recommendations. As previously stated, Ari Teplitz is dually registered as an advisory representative of TFG and as a registered representative of APFS. 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 APFS than at other broker/dealers.

Advisory Representatives may have a conflict of interest in having you purchase securities and/or insurance related products through APFS in that the higher their production with APFS the greater potential for obtaining a higher pay-out on commissions earned. Under the rules and regulations of the FINRA, APFS has an obligation to perform certain supervisory functions regarding certain activities engaged in by advisory representatives who are also registered representatives of APFS. For such supervisory functions, TFG may pay APFS a portion of the advisory fees they receive. APFS and TFG are not affiliated. Ari Teplitz spends approximately 10% of his time engaged in activities as a registered representative. Neither TFG, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

LICENSED INSURANCE AGENCY/AGENT

TFG has arrangements that are material to its advisory or its clients with a related person who is an insurance agent. In this regard, TFG's principal, Ari Teplitz is a licensed insurance agent, and in such capacity, may introduce clients to insurance agencies to obtain certain insurance-related products. Accordingly, TFG does not exercise any discretionary authority with respect to a client's decision to obtain such insurance-related products but may receive fees in connection therewith. With respect to the purchase of any variable annuity, the client will also incur a charge imposed directly by the insurance company, the details of which will be presented to the client separately in connection with the sale of the insurance product.

Conflict of Interest:

The recommendation by TFG's principals that a client purchase an insurance commission product (variable annuity) presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from TFG or its principals. Clients are reminded that they may purchase insurance products recommended by TFG through other, non-affiliated insurance agents.

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

Furthermore, as a registered representative with APFS, Advisory Representatives are subject to a supervisory structure at APFS for their securities business. TFG's Chief Compliance Officer, Ari Teplitz, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest. TFG does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients. However, TFG does receive direct compensation from AssetMark when recommending clients to participate in its advisory program. The firm will ensure that before selecting other advisers for consideration, that those advisors are properly licensed or registered as investment advisers.

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

TFG maintains an investment policy relative to personal securities transactions. This investment policy is part of TFG's overall Code of Ethics, which serves to establish a standard of business conduct for all of TFG's members that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, TFG also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by TFG or any person associated with TFG.

Neither TFG nor any related person of TFG recommends, buys, or sells for client accounts, securities in which TFG or any related person of TFG has a material financial interest.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

However, TFG and/or representatives of TFG *may* buy or sell securities that are also recommended to clients. This practice may create a situation where TFG and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities.

Therefore, this situation creates a potential conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if TFG did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front- running” (i.e., personal trades executed prior to those of the TFG’s clients) and other potentially abusive practices.

TFG has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of TFG’s “Access Persons”. This is accomplished due largely in part as a Registered Representative of APFS; Mr. Teplitz provides all of his personal securities transactions to compliance personnel of APFS in accordance with FINRA Rule 3040. Accordingly, compliance personnel of APFS have access to all of TFG’s client holdings and have the ability to monitor, detect and enforce any potential breaches of TFG’s personal securities transactions policy.

Notwithstanding the foregoing access persons are permitted to invest in mutual funds, ETFs, hedge funds, master limited partnerships (organized as exchange-traded or as funds) and other similar pass-through investments.

Item 12 - Brokerage Practices

In the event the client requests that TFG recommend a broker/dealer-custodian for execution and/or custodial services (exclusive of those clients that may direct TFG to use a specific broker-dealer/custodian), TFG generally recommends that investment management accounts be maintained at APFS, SEI Private Trust Company, Schwab Advisor Services and AssetMark Investment Management.

It should be made clear that APFS, if agreed by the client to perform certain brokerage transactions is made separate and apart from TFG’s investment advisory business. Prior to engaging TFG to provide investment management services, the client will be required to enter into a formal *Investment Management Agreement* with TFG setting forth the terms and conditions under which TFG shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker/dealer-custodian.

Factors that TFG considers in recommending APFS (or any other broker/dealer-custodian to clients) include historical relationship with TFG, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by TFG’s clients shall comply with TFG's duty to obtain best execution, a client may pay a commission and/or transaction fee that is higher than another qualified broker-dealer might charge to affect the same transaction where TFG determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker/dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although TFG will seek competitive rates, it may not necessarily obtain the lowest possible commission rates/transaction fees for client account transactions.

The brokerage commissions or transaction fees charged by the designated broker- dealer/custodian are exclusive of, and in addition to, TFG's investment management fee. TFG's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

RESEARCH AND ADDITIONAL BENEFITS

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, TFG may receive from APFS (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist TFG to better monitor and service client accounts maintained at such institutions.

Included within the support services that may be obtained by TFG may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by TFG in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist TFG in managing and administering client accounts. Others do not directly provide such assistance, but rather assist TFG to manage and further develop its business enterprise. TFG's clients do not pay more for investment transactions effected and/or assets maintained at APFS as a result of this arrangement. There is no corresponding commitment made by TFG to APFS or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

SOFT DOLLAR BENEFITS

The term "soft dollars" refers to a means of paying brokerage firms or other third parties for products and services through commission revenue, based on the volume of brokerage commission revenues generated from securities transactions executed through brokers by an investment manager on behalf of advisory clients.

TFG is specifically authorized to direct brokerage to firms which furnish or pay for research and/or brokerage services within the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act"). Consequently, a conflict of interest exists as TFG benefits from the arrangement because it does not have to produce or pay for the research it receives and has an incentive to select a broker-dealer based on TFG's interest in receiving research or other products or services, rather than

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

TFG's interest in receiving the most favorable execution. Mitigating this conflict is that all the research and other services noted below benefit TFG's clients.

Other broker-dealers through which TFG effects transactions may provide TFG with investment research and other products and services that are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to TFG on an unsolicited basis and without regard to the rates of commissions charged or paid by TFG or the volume of business TFG directs to such broker-dealers.

Since these products and services are merely made available by broker-dealers as part of a bundled business package to TFG, which may or may not use them, it is TFG's understanding that such broker-dealers do not set discrete prices for such products and services.

Accordingly, TFG does not separately compensate such broker-dealers for the provision of such services and does not believe that it "pays-up" for such broker-dealers' services since the broker-dealers do not break out the costs for such services. TFG does not receive referrals from broker-dealers. TFG does not generally accept directed brokerage arrangements (when a client requires that account transactions be affected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and TFG will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by TFG.

As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. TFG's Chief Compliance Officer, Ari Teplitz, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

Please Note: In the event the client directs TFG to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through TFG.

To the extent that TFG provides investment management services to its clients, the transactions for each client account generally will be affected independently, unless TFG decides to purchase or sell the same securities for several clients at approximately the same time. TFG may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among TFG's client's differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. TFG shall not receive any additional compensation or remuneration because of such aggregation.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Item 13 - Review of Accounts

For those clients to whom TFG provides investment supervisory services, account reviews are conducted on an ongoing basis by TFG's principal, Ari Teplitz. All investment supervisory clients are advised that it remains their responsibility to advise TFG of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with TFG on an annual basis.

TFG may conduct account reviews on a periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker/dealer-custodian and/or program sponsor for the client accounts. TFG may also provide a written periodic report summarizing account activity and performance.

For those clients to whom TFG provides financial planning and/or consulting services will receive reports from TFG summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by TFG.

Item 14 - Client Referrals and Other Compensation

As referenced above, TFG may receive an indirect economic benefit from APFS. TFG, without cost (and/or at a discount), may receive support services and/or products from TFG. TFG's clients do not pay more for investment transactions effected and/or assets maintained at APFS as a result of this arrangement. There is no corresponding commitment made by TFG to APFS or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as result of the above arrangement.

As a potential conflict of interest, please note APFS and its clearing broker/dealer also make available to TFG other products and services that benefit TFG but may not directly benefit you. Some of these other products and services assist TFG with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; facilitate payment of TFG's fees from your accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of TFG's accounts, including accounts not held through APFS.

TFG's Chief Compliance Officer, Ari Teplitz, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

Item 15 - Custody

TFG shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker- dealer/custodian and/or program sponsor for the client accounts. TFG may also provide a written periodic report summarizing account activity and performance.

Accordingly, TFG makes the following representation with respect to the safeguarding of client's assets exclusively domiciled in the state of California:

- A. TFG has custody of the funds and securities solely because of its authority to make withdrawals from client accounts to pay its advisory fee.
- B. TFG has written authorization from the client to deduct advisory fees from the account held with the qualified custodian.
- C. Each time a fee is directly deducted from a client account, TFG concurrently:
 - i. Sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client's account; and
 - ii. Sends the client an invoice or statement itemizing the fee. Itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.
- D. TFG notifies the California Commissioner, when applicable, in writing that TFG intends to use the safeguards provided in this paragraph (b)(3). Such notification is required to be given on Form ADV.

Please Note: Clients are urged to review statements received from the custodian.

Please Also Note: The account custodian does not verify the accuracy of TFG's advisory fee calculation.

Item 16 - Investment Discretion

The client can determine whether to engage TFG to provide investment advisory services on a discretionary basis. Prior to TFG assuming discretionary authority over a client's account, client shall be required to execute an *Investment Management Agreement*, naming TFG as client's attorney and agent in fact, granting TFG full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account and to the broker/dealer generally recommended by TFG as described in **Item 12**, above.

Clients who engage TFG on a discretionary basis may, at any time, impose restrictions, in writing, on TFG's discretionary authority. (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe TFG's use of margin, etc.).

Item 17 - Voting Client Securities

TEPLITZ FINANCIAL GROUP LLC

Form ADV, Part 2A

TFG does not vote client proxies. Therefore, although TFG may provide investment advisory services relative to client investment assets, TFG's clients maintain responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. TFG and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients may contact TFG to discuss any questions they may have with a particular solicitation.

Item 18 - Financial Information

TFG does not solicit fees of more than \$500.00 per client, six months or more in advance. TFG recently applied for and received a small business loan through the Payroll Protection Program established under the Coronavirus Aid, Relief and Economic Security Act ("CARES ACT"). Please note the loan does not materially impact our advisory relationships with clients, nor does it impair our ability to meet contractual obligations and fiduciary commitments to our clients. The loan was taken to pay the salaries of our employees who are primarily responsible for performing advisory functions for our clients. The loan is forgivable provided TFG satisfies the terms of the loan program. TFG has not been the subject of a bankruptcy petition.