

FRANCO FINANCIAL ADVISORS

Form ADV Part 2A – Disclosure Brochure

Effective: February 2, 2024

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Franco Financial Advisors, Inc. (“FFA” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (212) 877-1576.

FFA is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about FFA to assist you in determining whether to retain the Advisor.

Additional information about FFA and its Advisory Persons is available on the SEC’s website at www.adviserinfo.sec.gov by searching with the Advisor’s firm name or CRD#137587.

Franco Financial Advisors, Inc.
41 Madison Avenue, 31st Floor, New York, NY 10010
Phone: (212) 877-1576 * Fax: (646) 650-2902
www.francofg.com

Item 2 – Material Changes

Form ADV 2 is divided into two parts: *Part 2A and Part 2B*. *Part 2A* (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. *Part 2B* (the “Brochure Supplement”) provides information about Advisory Persons of FFA.

FFA believes that communication and transparency are the foundation of a client relationship and continually strives to provide you with complete and accurate information at all times. FFA encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

Material Changes

There have been no material changes made to this Disclosure Brochure since the last filing and distribution to Clients.

Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each client annually or if a material change occurs in the business practices of FFA.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with the Advisor’s firm name or CRD# 137587. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (212) 877-1576.

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Item 4 – Advisory Services

A. Firm Information

Franco Financial Advisors, Inc. (“FFA” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Corporation under the laws of New York. FFA was founded in 2005 as a wholly-owned subsidiary of Franco Financial Group, Inc. FFA is operated by Edmond D. Franco (President). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by FFA.

B. Advisory Services Offered

FFA offers investment advisory services to individuals, high net worth individuals, trusts, estates, and businesses (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. FFA’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Investment Management Services

FFA provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. FFA works with each Client to identify their investment goals and objectives as well as risk tolerance and understand their financial situation in order to create a portfolio strategy. FFA develops a personal investment policy for each Client and then develops and manages their portfolio based on that policy. FFA will manage accounts either on a discretionary or non-discretionary basis based on the needs of each Client.

FFA will create a portfolio consisting of one or all of the following types of securities: individual equities, bonds, exchange-traded funds (“ETFs”), commercial paper, warrants, certificates of deposit, options, other investment products, no-load and load-waived mutual funds as well as public and private hedge funds. FFA will allocate the client’s assets among various investments taking into consideration the overall management style selected by the Client. FFA may utilize other types of securities and investments as appropriate to meet the goals of a particular Client.

FFA’s investment approach is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. FFA will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolios, subject to the acceptance by the Advisor.

FFA evaluates and selects ETFs and mutual funds for inclusion in Client portfolios only after applying their internal due diligence process. FFA may recommend, on occasion, redistributing investment allocations to diversify the portfolio. FFA may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. FFA may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in Client risk tolerance, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the terms of the Client investment advisory agreement. For additional information, please see Item 12 – Brokerage Practices.

Retirement Accounts – When the Advisor provides investment advice to Clients regarding ERISA retirement accounts or individual retirement accounts (“IRAs”), the Advisor is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (“IRC”), as applicable, which are laws governing retirement accounts. When deemed to be in the Client’s best interest, the Advisor will

provide investment advice to a Client regarding a distribution from an ERISA retirement account or to roll over the assets to an IRA, or recommend a similar transaction including rollovers from one ERISA sponsored Plan to another, one IRA to another IRA, or from one type of account to another account (e.g. commission-based account to fee-based account). Such a recommendation creates a conflict of interest if the Advisor will earn a new (or increase its current) advisory fee as a result of the transaction. No client is under any obligation to roll over a retirement account to an account managed by the Advisor.

Financial Consulting Services

FFA will typically provide a variety of financial advisory services to individuals, families and businesses in situations which require more value-added solutions to achieve strategic objectives. Services are provided either as a component of investment management services or pursuant to a written agreement. In particular, FFA provides strategic planning and financial solutions to solve complex, inter-disciplinary Client problems tailored to their goals, objectives and specific circumstances. Such services are typically most appropriate for high net worth clients who are entrepreneurs running private businesses and families with estate, succession and/or complex relationships with corporate affiliates. In its consulting business, FFA applies investment banking and corporate finance concepts and analyses to help Client's solve problems and realize financial and strategic objectives.

Financial consulting services will often include the following areas of need:

- Strategic planning
- Liability and risk management
- Aggregate asset allocation including real estate and other illiquid assets
- Creation of a personal balance sheet, income statement and cash flow
- Budgeting
- Records management
- Estate planning issues
- Disability and retirement income analysis
- Analysis of individual or portfolio investments, allocation, performance and investment alternatives
- Evaluation of investment managers and professionals

Generally, FFA's consulting services may involve preparing a financial plan or rendering a financial consultation for clients based on the Client's financial goals and objectives. A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. FFA may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor.

Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

C. Client Account Management

Prior to engaging FFA to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – FFA, in connection with the Client, will develop a strategy for the Client that is targeted to achieve the Client's objectives.
- Asset Allocation – FFA will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.

- Portfolio Construction – FFA will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – FFA will provide investment management and ongoing oversight of the Client's investment portfolio.

D. Wrap Fee Programs

FFA does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by FFA.

E. Assets Under Management

As of December 31, 2023, FFA manages \$54,435,746 in Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

Item 5 – Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall sign one or more agreements that detail the responsibilities of FFA and the Client.

A. Fees for Advisory Services

Investment Management Services

Investment advisory fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the average market value of assets under management during the period.

Investment advisory fees range from 1.25% to 0.25% based on the following schedule:

Assets Under Management	Annual Rate
Up to \$1,000,000	1.25%
Next \$1,000,001 to \$2,000,000	1.00%
Next \$2,000,001 to \$3,000,000	0.75%
Next \$3,000,001 to \$5,000,000	0.50%
Next \$5,000,001 to \$11,000,000	0.25%
Over \$11,000,000	Flat fee of 0.45%

The investment advisory fee in the first quarter of service is prorated to the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by FFA will be independently valued by the Custodian. For securities in which the Custodian does not provide a market valuation, investments will be valued at fair value. FFA will conduct periodic reviews of the Custodian's valuations.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

Financial Consulting Services

FFA offers financial consulting services on an hourly basis at a rate ranging from \$495 to \$125 per hour, depending on the services to be provided and the individual conducting the work. Senior consulting is provided at an hourly rate of \$495 per hour; junior consulting is provided at an hourly rate of \$275 per hour; and administrative services are provided at \$125 per hour. Fees may be negotiable depending on the nature and complexity of each Client's circumstances. An estimate for total hours and overall costs will be provided to the Client prior to engaging for these services.

B. Fee Billing

Investment Management Services

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor or its delegate shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the average assets under management with FFA during the applicable quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by FFA directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

Financial Consulting Services

Financial consulting fee are invoiced by the Advisor as earned and are due upon receipt.

C. Other Fees and Expenses

Clients may incur certain fees or charges imposed by third parties, other than FFA, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The Advisor's recommended Custodian does not charge securities transaction fees for ETF and equity trades in a Client's account, provided that the account meets the terms and conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. The investment advisory fee charged by FFA is separate and distinct from these custody and execution fees.

In addition, all fees paid to FFA for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of FFA, but would not receive the services provided by FFA which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial condition and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by FFA to fully understand the total fees to be paid. Please see Item 12 – Brokerage Practices.

D. Advance Payment of Fees and Termination

Investment Management Services

FFA is compensated for its investment management services at the end of the quarter, after investment management services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing sixty (60) days advance written notice to the other party. Upon termination, the Client shall be responsible for investment advisory fees up to and including the effective date of termination and the Advisor will refund any unearned, pre-paid fees. The Client's investment advisory agreement with the Advisor is non-transferable without Client's prior consent.

Financial Consulting Services

FFA is compensated for its financial consulting services in arrears. Either party may terminate the financial consulting agreement, at any time, by providing written notice to the other party. The Client may also terminate the agreement within five (5) business days of signing the agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate. The Client's financial consulting agreement with the Advisor is non-transferable without Client's prior consent.

E. Compensation for Sales of Securities

FFA does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

FFA is under common ownership and control with Franco & Son, Inc. ("F&S"). F&S is a full-service insurance broker providing commercial and personal insurance as well as life and health insurance. Mr. Franco, in his separate, individual capacity, is 100% owner and President of F&S. F&S may recommend FFA to its insurance Clients in need of advisory services. In addition, FFA may recommend F&S to its advisory clients in need of insurance services. Insurance services provided by F&S are separate and distinct from the advisory services of FFA, and are compensated separately at customary rates for such services. There are no referral fee arrangements between FFA and F&S for the provision of insurance services. Mr. Franco is not compensated via commission or compensation resulting from the purchase of insurance services from F&S. Mr. Franco, however, is indirectly compensated via his ownership and salary from F&S.

Item 6 – Performance-Based Fees

FFA does not charge performance-based fees for its investment advisory services. The fees charged by FFA are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

FFA does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

Item 7 – Types of Clients

FFA provides investment advisory services to individuals, high net worth individuals, trusts, estates, and businesses. The FFA generally requires a minimum relationship size of \$1,000,000, which may be reduced at the sole discretion of the Advisor.

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

A. Methods of Analysis

FFA employs fundamental, technical and cyclical analysis methods in developing investment strategies for its Clients. Research and analysis from FFA are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. This criteria consists generally of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Franco Financial will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the

health of the particular company that FFA is recommending. The risks with cyclical analysis are similar to those of technical analysis.

As noted above, FFA generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. FFA will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, FFA may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

B. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. FFA will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

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

Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

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 has 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.

Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

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, regulatory or disciplinary events involving FFA or any of its management persons.

FFA values the trust you place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider in which the Client engages. The backgrounds of the Advisor and Advisory Persons are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with the Advisor's firm name or CRD# 137587. Client's may also research the background of Edmond Franco by searching with his Individual CRD# 1892432.

Item 10 – Other Financial Activities and Affiliations

FFA is a 100%-owned subsidiary of Franco Financial Group, Inc. ("FFG"). FFG was formed in March 2001 as the successor to Franco, Lewis & Company, Inc. FFG, including its predecessor, was established in July 1992 and is 100%-owned by Edmond D. Franco. FFG provides investment banking and corporate finance services to publicly and privately-owned companies operating in North American and European markets. As a matter of FFA firm policy and practice, FFA and its investment professionals do not recommend or invest any assets of an advisory Client into the securities of any investment banking Client that is conducting business with FFG.

Franco & Son, Inc. ("F&S") is an affiliate of FFG & FFA, all under common control by Mr. Franco. F&S is a full-service insurance broker providing commercial and personal insurance as well as life and health insurance. Mr. Franco, in his separate, individual capacity, is 100% owner and President of F&S. F&S may recommend FFA to its insurance Clients in need of advisory services. In addition, FFA may recommend F&S to its advisory clients in need of insurance services. Insurance services provided by F&S are separate and distinct from the advisory services of FFA, and are compensated separately at customary rates for such services. There are no referral fee arrangements between FFA and F&S for the provision of insurance services. Mr. Franco is not compensated via commission or compensation resulting from the purchase of insurance services from F&S. Mr. Franco, however, is indirectly compensated via his ownership and salary from F&S. While FFA and Mr. Franco endeavor at all times to put the interest of the Clients first as part of FFA's fiduciary duty, Clients should be aware that the receipt of additional compensation creates a conflict of interest.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

A. Code of Ethics

FFA has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with FFA ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to the Client. FFA and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of FFA associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (212) 877-1576 or via email at business@francofg.com.

B. Personal Trading with Material Interest

FFA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. FFA does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. FFA does not have a material interest in any securities traded in Client accounts.

C. Personal Trading in Same Securities as Clients

FFA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that the Advisor recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must disclose to you and mitigate through policies and procedures. As noted above, the Advisor has adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for

personal accounts, Supervised Persons of FFA have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by FFA requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

D. Personal Trading at Same Time as Client

While FFA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards.

At no time will FFA, or any Supervised Person of FFA, transact in any security to the detriment of any Client.

Item 12 – Brokerage Practices

A. Recommendation of Custodian[s]

FFA does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize FFA to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, FFA does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where FFA does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a Custodian not recommended by FFA. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. FFA may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation and/or the location of the Custodian's offices. FFA typically recommends that Clients establish accounts at Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC. Schwab will serve as the Client's "qualified custodian". FFA maintains an institutional relationship with Schwab, whereby the Advisor receives some economic benefits from Schwab through its participation in the program. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

1. Soft Dollars - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. **FFA does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor does receive certain economic benefits from Schwab. Please see Item 14 below.**

2. Brokerage Referrals - FFA does not receive any compensation from any third party in connection with the recommendation for establishing an account.

3. Directed Brokerage - All Clients are serviced on a "directed brokerage basis", where FFA will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s] at the Custodian, unless otherwise authorized by the Client. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). FFA will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. FFA will execute its transactions through the Custodian as authorized by the Client. FFA may aggregate orders in a block trade or trades when securities are

purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Clients' accounts.

Item 13 – Review of Accounts

A. Frequency of Reviews

Securities held in Client accounts are monitored continuously. Accounts are generally reviewed quarterly by Mr. Franco, President of the Advisor. Accounts are reviewed in the context of each Client's stated investment objectives and stated guidelines.

B. Causes for Reviews

Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify FFA if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

C. Review Reports

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

Item 14 – Client Referrals and Other Compensation

A. Compensation Received by FFA

FFA does not receive commissions or other compensation from product sponsors, broker-dealers or any un-related third party. FFA may refer Clients to various third-parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, FFA may receive referrals of new Clients from a third-party.

Participation in Institutional Advisor Platform

FFA has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like FFA. As a registered investment advisor participating on the Schwab Advisor Services platform, FFA receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab, will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Services that Benefit the Client – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

Services that May Indirectly Benefit the Client – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with

Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients but may not directly benefit all Clients.

Services that May Only Benefit the Advisor – Schwab also offers other services and support to FFA that may not benefit the Client, including educational conferences and events, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a conflict of interest. FFA believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

B. Client Referrals from Promoters

The Advisor does not compensate, either directly or indirectly, any affiliated or unaffiliated parties (“Promoters”) for Client referrals.

Item 15 – Custody

All Clients must place their assets with a “qualified custodian”. Clients are required to enter into an agreement with the Custodian to retain their funds and securities and direct FFA to utilize the Custodian for the Client’s security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by FFA to ensure accuracy as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

Additionally, if the Client gives the Advisor the authority to move money from one account to another account, the Advisor may have custody of such assets. In order to avoid additional regulatory requirements in these cases, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client’s instructions.

Item 16 – Investment Discretion

FFA generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by FFA. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client’s execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by FFA will be in accordance with each Client’s investment objectives and goals.

Item 17 – Voting Client Securities

FFA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

Item 18 – Financial Information

Neither FFA, nor its management have any adverse financial situations that would reasonably impair the ability of FFA to meet all obligations to its Clients. Neither FFA, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. FFA is not required to deliver a balance sheet along with this Disclosure Brochure as the firm does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

FRANCO FINANCIAL ADVISORS

Form ADV Part 2B – Brochure Supplement

for

**Edmond D. Franco
President**

Effective: February 2, 2024

This Form ADV 2B ("Brochure Supplement") provides information about the background and qualifications of Edmond D. Franco (CRD# 1892432) in addition to the information contained in the Franco Financial Advisors, Inc. ("FFA" or the "Advisor" - CRD #137587) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the FFA Disclosure Brochure or this Brochure Supplement, please contact us at (212) 877-1576.

Additional information about Mr. Franco is available on the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD# 1892432.

Item 2 – Educational Background and Business Experience

The President of FFA is Edmond D. Franco. Mr. Franco, born in 1956, is a dedicated Portfolio Manager for Client accounts of FFA. Mr. Franco is also the President of other related businesses as included below in his employment history. Mr. Franco earned a B.A. in American Studies, graduating Magna Cum Laude from Amherst College in 1978. Additional information regarding Mr. Franco's employment history is included below.

Employment History:

President, Franco Financial Advisors, Inc.	09/2005 to Present
President, Franco Financial Group, Inc.	07/1992 to Present
President, Franco & Son, Inc.	06/2016 to Present
Executive Vice President, Franco & Son, Inc.	01/1994 to 06/2016
Director, David Easton Inc.	2006 to 03/2013
Director, E-Security, Inc.	2000 to 2007
Director, General Microwave Corp.	1986 to 1989 and 1994 to 1999
Senior Advisor, Czech Ministry of Privatisation	02/1991 to 07/1992
Morgan Stanley & Co. Incorporated	1989 to 1991
Director, Reeves Industries	1986 to 1989
Drexel Burnham Lambert Incorporated	1978 to 1989

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to disclose regarding Mr. Franco. Mr. Franco has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Franco. Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Franco.***

Item 4 – Other Business Activities

Mr. Franco is also the President of Franco Financial Group, Inc. ("FFG"), the parent company to Franco Financial Advisors, Inc. FFG was formed in March 2001 as the successor to Franco, Lewis & Company, Inc. FFG, including its predecessor, was established in July 1992. FFG provides investment banking and corporate finance services to publicly and privately owned companies operating in North American and European markets. As a matter of FFA firm policy and practice, FFA and its investment professionals do not recommend or invest any advisory Client assets in any investment banking clients' securities that are conducting business with FFG.

Franco & Son, Inc. ("F&S") is an affiliate of FFG & FFA, all under common control by Mr. Franco. F&S is a full-service insurance broker providing commercial and personal insurance as well as life and health insurance. Mr. Franco, in his separate, individual capacity, is 100% owner and President of F&S. F&S may recommend FFA to its insurance Clients in need of advisory services. FFA may recommend F&S to its advisory clients in need of insurance services. Insurance services provided by F&S are separate and distinct from the advisory services of FFA, for which it receives separate and typical compensation.

There are no referral fee arrangements between FFA and F&S for these any insurance services. Mr. Franco is not compensated via commission compensation resulting from F&S implementing product transactions for referred advisory Clients. Mr. Franco, however, is indirectly compensated via his ownership and salary from F&S. While FFA and Mr. Franco endeavor at all times to put the interest of the Clients first as part of FFA's fiduciary duty, Clients should be aware that the receipt of additional compensation creates a potential conflict of interest.

Item 5 – Additional Compensation

Mr. Franco has additional business activities where compensation is received that are detailed in Item 4 above.

Item 6 – Supervision

Mr. Franco serves as [a/the] President of FFA and is supervised by Carlos Dutan, the Chief Compliance Officer. Mr. Dutan can be reached at (212) 877-1576.

FFA has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of FFA. Further, FFA is subject to regulatory oversight by various agencies. These agencies require registration by FFA and its Supervised Persons. As a registered entity, FFA is subject to examinations by regulators, which may be announced or unannounced. FFA is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

Privacy Policy

Effective: February 2, 2024

Our Commitment to You

Franco Financial Advisors, Inc. ("FFA" or the "Advisor") is committed to safeguarding the use of your personal information that we have as your Investment Advisor. FFA (referred to as "we", "our" and "us" throughout this notice) protects the security and confidentiality of the personal information we have and make efforts to ensure that such information is used for proper business purposes in connection with the management or servicing of your account. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

We do not sell your non-public personal information to anyone. Nor does FFA provide such information to others except for discrete and proper business purposes in connection with the servicing and management of your account as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this privacy policy.

The Information We Collect About You

You typically provide personal information when you complete the paperwork required to become our Client. This information may include your:

• Name and address	• Assets
• E-mail address	• Income
• Phone number	• Account balance
• Social security or taxpayer identification number	• Investment activity
	• Accounts at other institutions

In addition, we may collect non-public information about you from the following sources:

- Information we receive on Brokerage Agreements, Managed Account Agreements and other Subscription and Account Opening Documents;
- Information we receive in the course of establishing a customer relationship including, but not limited to, applications, forms, and questionnaires;
- Information about your transactions with us or others

Information About You That FFA Shares

FFA works to provide products and services that benefit our customers. We may share non-public personal information with non-affiliated third parties (such as brokers and custodians) as necessary for us to provide agreed services and products to you consistent with applicable law. We may also disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account. In addition, your non-public personal information may also be disclosed to you, persons we believe to be your authorized agent or representative, regulators in order to satisfy FFA's regulatory obligations, and is otherwise required or permitted by law. Lastly, we may disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.

To repeat, we do not sell your non-public personal information to anyone.

Information About Former Clients

FFA does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our clients.

Confidentiality and Security

Our employees are advised about the firm's need to respect the confidentiality of our customers' non-public personal information. Additionally, we maintain physical, procedural and electronic safeguards in an effort to protect the information from access by unauthorized parties.

We'll Keep You Informed

We will send you notice of our privacy policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our privacy policy, and will provide you with a revised policy if the changes materially alter the previous privacy policy. We will not, however, revise our privacy policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing. You may obtain a copy of our current privacy policy by contacting us at (212) 877-1576.