



Thank you for considering Magnifina to be your investment advisor. This brochure explains how our business works, our policies, and your rights as our client. We aimed to write it in plain language and for it to be helpful and easily understandable.

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This brochure provides information about the qualifications and business practices of Magnifina, LLC. If you have any questions about the contents of this brochure, please contact us at either 646-645-1560 or asher@magnifina.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Magnifina, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Magnifina, LLC is an investment adviser registered with the SEC. Registration does not imply a certain level of skill or training.

**SEC Form ADV Part 2A
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N/A

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Item 4 – Advisory Business

Magnifina, LLC (Referred to herein as “Firm, We, and Our”) is an independent investment advisory firm registered with the U.S. Securities and Exchange Commission (“SEC”). The company was formed in 2019 as a Limited Liability Company in New York and is currently wholly-owned by Asher Rogovy. This filing is our initial filing. As a result, we do not have any assets under management.

We offer the following services to advisory clients:

Investment Portfolio Management

We create and actively manage investment portfolios for our clients. These portfolios primarily consist of publicly traded equity securities (stocks). Some portfolios may contain other asset classes, such as fixed-income securities (bonds) or real-estate investment trusts (REITs), in accordance with client needs. Pooled-funds assets such as exchange-traded funds (ETFs) and mutual funds may be used if the individual assets available to a portfolio lack sufficient liquidity or diversity. Clients may impose reasonable restrictions on individual securities or types of securities that we will select for them.

We do not assign clients to group-managed or model portfolios. Instead, we consider each client individually when selecting their investments. Before enrolling a client, we discuss their investment objectives, time horizon, risk tolerance, conflicts of interest, and other needs.

As a company that values ethics, we are proud to enable our clients to provide us with ethical preferences for selecting their investments. For example, a client may indicate that they are concerned about the environment, and we would try to exclude companies producing excessive pollution from our list of possible investments for that client. Clients are reminded that restricting the domain of possible investments may result in lower financial returns than an unrestricted portfolio.

We provide discretionary investment advisory services on a non-wrap fee basis. Services are generally provided on a discretionary basis which means We purchase or sell securities or other investment products for the Client without speaking with the Client. This also means that if the client engages Us, the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, trade execution, custody). Please see *Item 5 – Fees and Compensation* for more information.

Alternative Investments

From time to time, we might identify special opportunities to invest in alternative assets, such as private equity or venture capital investments. Additionally, clients are welcome to submit to us private investment opportunities they have found themselves. We manage alternative

investments on a non-discretionary basis. This means that if we conclude that such an investment is appropriate for a client, we will discuss the specific opportunity with the client and obtain permission before making the investment on their behalf.

For clients holding alternative investments, we will continuously and regularly consider the risks and benefits of these investments in connection with the rest of the client's investment portfolio under our management.

Item 5 – Fees and Compensation

As compensation for ongoing investment advice and management, we charge a percentage-based fee ("Advisory Fee") on each client's assets under management. Our standard Advisory Fee is 1.00% per year. For client accounts over \$2,000,000, our Advisory Fee may be negotiated. Advisory Fees are calculated based on client account values at the end of the last trading day of the prior quarter.

We collect Advisory Fees by deducting them from the qualified custodian on a quarterly basis in advance. If we do not provide services for an entire quarter (due to mid-quarter commencement or termination of services), our Advisory Fee is prorated on a calendar day basis and advance overpayments are refunded.

Some non-profit organizations or family members of clients may receive services on a pro-bono basis at the sole discretion of the Firm.

In addition to our fees, clients may be subject to brokerage fees, custodian fees, or other fees in connection with our custodian broker partnerships. We aim to work with qualified custodians who maintain competitive fees within the industry. Clients are advised to consult with their custodian for details about these fees. For more information on custodians we use, please see *Item 12 – Brokerage Practices*.

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

We do not currently charge extra fees based on the performance of client investments.

Item 7 – Types of Clients

We offer services to many different types of client. Our clients may include individuals and their families, high net worth individuals, family offices, charity endowments, and other organizations or pooled investments.

For individual accounts, we require a minimum of \$5,000 in assets to open an account and the completion of a needs-analysis. We encourage clients with less than \$50,000 to pledge to make

regular deposits until this level is reached. Furthermore, we will not normally advise any client with less than \$500,000 to make alternative investments (i.e. non-publicly traded securities).

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

Our Method

Magnifina centralizes its investment decision making. We maintain a bespoke database of investment research with data sourced from multiple providers and analysts. This database is very useful for making investment decisions and keeping our information current.

Each client's portfolio is evaluated on a periodic basis. Using our research and analysis, and if we identify any better opportunities, we optimize the portfolio to coincide the client's individual needs and our investment outlook.

Some of the factors we may use to evaluate equity investment opportunities include:

- Business Opportunity: analyzing the main story driving the investment's ability to grow and, ultimately, its return to shareholders.
- Risk Factors: considering any potential news, events, or trends which may undermine the opportunity.
- Current Financial Valuation: calculating how the company is valued by the market compared to its reported business performance relative to its peers.
- Special Situations: short term events or trends that may indicate an opportunity to acquire an investment at a favorable price.
- Competition: whether the company has competitors and/or how difficult its business is to replicate by new entrants to the industry.
- Leadership: judging the temperament and ability of the management team.

Portfolio asset allocations and other classes of investment may be analyzed using the following techniques:

- Macroeconomic Analysis: looking at long-term trends and relationships across wide sectors of the economy and financial markets.
- Fundamental Analysis: researching the financial variables of the investment to identify whether or not it is a good value at the current price.
- Cyclical Analysis: looking at historical relationships between various groupings of assets and how they are affected by the economic business cycle.
- Technical Analysis: applying established "techniques" to the price history of an asset in order to identify potential future price movement based on historical patterns.

Risk of Loss

Investing in publicly traded securities or alternative investments involves a material risk of loss. Here are some risks of investing:

- Business Risk. These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy and uncertain 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.
- General Market Risks: Markets can, as a whole, fluctuate after various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down unpredictably, and may take some time to recover any lost value. Diversifying a portfolio with additional securities does not help to minimize this risk since all securities may be affected by broad market fluctuations.
- Financial Risk. Excessive borrowing to finance business operations increases the risks to 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.
- Default Risk: This risk pertains to the ability of a company to service their debt. Ratings provided by credit rating agencies may not accurately measure this risk. It is also possible for governments to fail to repay debts.
- Regulatory Risk. Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws may negatively affect the return on these investments.
- Political Risks: Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- Risks Related to Investment Term. If you require Us to liquidate your portfolio during a period in which the price of the security is low, you will not realize as much value as you would have had the investment had the opportunity to regain its value, as investments frequently do, or had We been able to reinvest in another security.
- Tax Risks Related to Short Term Trading. Clients should note that the Firm may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. Magnifina endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid, while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

- Currency Risk. Overseas investments are subject to fluctuations in the value of the United States dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Purchasing Power Risk. Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which has the same consequence. Inflation can happen for a variety of complex reasons, including a growing economy and certain monetary policies.

Investing in mutual funds or exchange traded funds (ETFs) also carries a risk of loss. There is no assurance that a mutual fund, an ETF, or any security will achieve its investment objective. The principal risks of investing in any mutual fund or ETF are market risk, diversification risk and style risk (growth investing risk and mid-cap company risk). To the extent that a mutual fund or ETF invests in foreign securities or debt securities, a fund would be subject to foreign exposure risk, interest rate risk and credit risk. A fund may invest in derivative instruments that carry derivative instruments risk. A principal risk is the risk that the value of equity securities may decline. Although a mutual fund or ETF may be a diversified fund, it may invest in securities of a limited number of issuers to achieve a potentially greater investment return than a fund that invests in a larger number of issuers. As a result, price movements of a single issuer's securities will have a greater impact on this fund's net asset value causing it to fluctuate more than that of a more widely diversified fund. These and other risk considerations are discussed in a fund's prospectus. Past performance of investments is no guarantee of future results.

Investing in Initial Public Offerings (IPOs), Private Equity, or other Alternative Investments carries Valuation Risk in addition to the above risks. Because these investments are not widely traded on public exchanges, the offering price is not directly influenced by the supply and demand forces of the market. The offering price may be set by the issuing company or one of their partners. Valuation risk is the risk that the offering price is substantially worse than a price determined by the market.

Due to the volatile nature and risks involved when investing in certain types of strategies and/or securities, clients should be aware that the actual return and value of their account(s) may fluctuate and at any point in time be worth more or less than the amount originally invested. We do not represent, guarantee or imply that the services or methods of analysis employed by Us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

We welcome clients to ask us about the risks of investing.

Item 9 – Disciplinary Information

There are no legal or disciplinary events in the history of the firm or any of its owners.

Item 10 – Other Financial Industry Activities and Affiliations

Magnifina does not have a Management Person who has a relationship with a Related Person that is:

- A broker/dealer, municipal securities dealer or government securities dealer or broker
- An investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- An investment adviser or financial planner
- A futures commission merchant, commodity pool operator or commodity trading advisor
- A banking or thrift institution
- Accountant or accounting firm
- A lawyer or law firm
- A pension consultant
- A real estate broker or dealer
- A sponsor or syndicator of limited partnerships.

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

Code of Ethics Summary

Magnifina has a fiduciary duty to its clients to act in their best interest. Our clients therefore trust Us to use the highest standards of integrity when dealing with their assets and making investments that impact their financial future. Magnifina’s fiduciary duty compels all employees to act with integrity in all of their dealings. Because the Firm’s investment professionals may transact in the same securities for their personal accounts as they may buy or sell for client accounts, it is important to mitigate potential and actual conflicts of interest. To that end, Magnifina has adopted personal securities transaction policies in the form of a Code of Ethics (“Code”). All Magnifina associated persons must follow Magnifina’s Code, which sets the standard of business conduct. Magnifina requires all of its employees to comply with applicable federal securities laws, and sets forth provisions regarding personal securities transactions to employees in its Code. Additionally, the Code sets forth Magnifina’s policies and procedures with respect to material, non-public information and other confidential information, and the fiduciary duties that Magnifina and each of its employees has to each client. The Code is circulated at least annually to all employees, and each employee annually certifies in writing that they have received and understand the Code. Magnifina will provide a copy of the Code to any client upon request.

Participation or Interest in Client Transactions

Magnifina recognizes that the personal securities transactions of its members and employees demand the application of practices designed to eliminate conflicts of interest, and Magnifina requires that all such transactions be carried out in a way that does not endanger the interest of the client. At the same time, Magnifina believes that if investment goals are similar for clients and for members or employees of Magnifina, it is logical and even desirable that there be common ownership of some securities. Therefore, in order to address conflicts of interest, Magnifina has adopted a set of procedures, included in the Code, with respect to transactions effected by its officers, managers, members, and employees for their personal accounts. If the possibility of a conflict of interest occurs, the client's interest prevails. It is Magnifina's policy that priority will always be given to the client's order over the order of their employees. To help mitigate conflicts of interest associated with these practices, the senior management of the Firm reviews employee trades quarterly. Magnifina does not affect any principal or agency cross securities transactions for client accounts, nor does it affect cross-trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Item 12 – Brokerage Practices

Selection and Recommendation

Magnifina recommends that clients utilize the brokerage and clearing services of Charles Schwab, Inc. ("Schwab"). Factors which Magnifina considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, breadth of service, existing relationships, execution, pricing, research and resources available. Not all investment advisers recommend that a client use a particular broker-dealer.

Research and Other Soft Dollar Benefits

Magnifina receives research or other products or services (i.e., soft dollar benefits) from broker-dealers in exchange for placing trades or processing securities related transactions for clients. We do not have to pay the broker-dealer for these services and no client is charged for these services. Therefore, We receive a benefit. The products or services received may benefit all of Our customers, not just those whose assets are custodied at the broker-dealer who provides the products or services. This may result in higher transaction costs than those that would have been incurred but for the soft dollar benefits. This is a conflict of interest, as We have an incentive to recommend Schwab because of Our existing relationship and the benefits We receive. We mitigate this conflict by conducting semi-annual best execution reviews and through application of Our policies and procedures. We have determined that the transaction

charges We incur and charge to the client are reasonable in relation to the value of the services received.

Brokerage for Client Referrals

Magnifina does not receive client referrals or compensation of any kind from broker-dealers or other third parties in exchange for using any particular broker-dealer.

Directed Brokerage

We routinely recommend that the client direct Our Firm to execute transactions through broker-dealers with which we have a business relationship. As such, We may be unable to achieve the most favorable execution of the client's transactions and the client may pay higher brokerage commissions than the client might otherwise pay through another broker-dealer that offers the same types of services. If clients prefer to utilize their own broker-dealer, We will not be able to provide wealth management services to those clients.

Order Aggregation

We may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. If a block trade occurs, the client will receive a price that represents the average of the prices at which all of the transactions in the block were executed. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, and on a pro-rata basis between all accounts included in any such block. Block trading allows Us to execute equity trades in a timelier, equitable manner, and may reduce overall costs to clients.

Item 13 – Review of Accounts

Client account values are marked-to-market daily and portfolios are reviewed for performance, risk, and asset allocation once per calendar month by Asher Rogovy. Special market or news events may trigger extra or more frequent reviews in between the normal schedule.

Item 14 – Client Referrals and Other Compensation

We do not currently compensate any third-parties for client referrals. Some of our custodian broker partners provide us with investment research and analysis tools. This research and these tools may be considered a material economic benefit and is described above in *Item 12 – Brokerage Practices*.

Item 15 – Custody

Magnifina does not take or maintain custody of any client funds or securities. Instead, we work with broker-dealers who serve as qualified custodians and will supply our clients with trade confirmations and monthly statements. It is important to review these statements carefully.

Item 16 – Investment Discretion

Clients provide Our Firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, Our Firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with Our Firm's written acknowledgement.

Item 17 – Voting Client Securities

Upon request, we will vote proxy ballots received from companies in which the client is invested. As a fiduciary, we are required to vote in each client's best interest. We have established guidelines, and a copy of our Proxy Voting Policy is available upon request by any current or prospective client.

Item 18 – Financial Information

Magnifina does not solicit fees of \$1,200 or more, six months in advance. We are unaware of any financial condition reasonably likely to impair our ability to meet contractual obligations. Magnifina, LLC or any of its owners have never been the subject of a bankruptcy petition.