

**Item 1: Cover Page for Part 2A of  
Form ADV: Seminar Brochure  
August 2013**

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This brochure provides information about the qualifications and business practices of Tri-Star Financial. If you have any questions about the contents of this brochure, please contact us by telephone at 800-734-7408 or email at [mrothstein@tristaretg.com](mailto:mrothstein@tristaretg.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 Tri-Star Financial also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that the use of the term "registered investment adviser" and description of Tri-Star Financial and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees. This brochure is intended to disclose services provided to seminar participants. For more information about our complete list of services, please see our ADV Part 2A, Firm Brochure.

## Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure

Tri-Star Financial is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

**Last Annual Amendment Filing: 03/11/2013**

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2008 and is owned wholly by Mr. Mark Rothstein. We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services.

We offer general investment advice to clients utilizing our Mr. Money College Organizer Case, Mr. Money Financial Organizer, Mr. Money Tax Organizer, Mr. Money Team Membership, Newsletter, Three-Day Retreat and One-Day Seminar services. Wrap fee programs are not offered with seminar services. As of August 2013, we manage \$28,640,739 on a discretionary basis and \$2,566,048 on a non-discretionary basis.

### **Advisory Products We Offer**

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#### **Mr. Money College Organizer**

The college organizer is an all in one organizer for managing life at college. It features instructions, financial information, forms to track personal information and a built in filing system for important documents and paperwork.

#### **Mr. Money Financial Organizer**

The Financial Organizer case is an all in one financial case to easily organize and manage your personal and/or business finances. The organizer features worksheets to complete, checklists to monitor progress, and a place to store all important financial documents.

#### **Mr. Money Tax Organizer**

The tax organizer is an all in one tax case to easily organize and manage your tax paperwork. The organizer features a comprehensive roadmap of the filing process, worksheets, check lists, tips, web resources, tabbed folders, pre-printed labels and a built in file box.

#### **Mr. Money Team Membership**

Mr. Money Team Membership is a six (6) month coaching program that covers money management, building credit/managing debt, asset protection, taxation, insurance, the economy, investments, retirement, real estate, college planning. As well as personalized assignments for each client.

#### **Newsletters**

Our firm offers make available to our clients a variety of monthly newsletters; "Mr. Money Talks Newsletter", a web-based financial newsletter, and our web-based tax newsletter.

#### **Three-Day Retreat**

The Adviser offers clients the opportunity to attend three day retreats that feature a series of seminars hosted by Mr. Mark Rothstein with various guest speakers. The seminars will cover a range of topics which will include but are not limited to the following.

- **General:** Mr. Rothstein will discuss how individuals may live within their means, save more and spend less. This discussion will also touch on budgeting, creating an emergency fund, and basic financial planning. The Adviser will offer a financial folio for sales. The folio organizes and stores wills, trust, birth certificates, and other important documents. The Adviser offers organize your life motivational cards for sale during the presentation.
- **Income Taxes:** This session will cover the tax advantages of various business structures, reviews responses that could potentially trigger an audit, explore deductions and legal methods that could help reduce taxes. The Adviser offers an Income Tax Organizer for sale during this presentation.
- **Investments:** An emphasis will be place on familiarizing attendees with investment terminology and types of investment products to include but not limited to bonds, stocks, mutual funds, and commodities. This is in addition to, the distinctions among various asset classes such as value and growth; large, medium, and small cap; and municipal, corporate and other types of bond classification.
- **Housing:** Topics will include housing affordability, the decision making process regarding using a fixed versus variable mortgage, and the questions that people should answer before purchasing rental property.
- **Economy:** Mr. Rothstein will discuss differences between the federal government's monetary and fiscal policies, the meaning behind and how the consumer confidence, producer price, and other indexes shape various government policies and impact markets.
- **Retirement:** Types and characteristics of various retirement vehicles, projecting income, expenses and needs, deciding when to retire, retirement lifestyle, budgeting and money management during retirement.
- **Estate Planning:** Mr. Rothstein will explore various estate-planning issues such as wills, the need for a durable power of attorney for health care, using a financial power of attorney, and when a trust makes sense. Additionally he will discuss using life insurance, the potential impact of estate taxes, business succession, and funeral expense planning.
- **Credit & Debt:** Mr. Rothstein will discuss establishing credit, debt management, and improving, and repairing credit scores. He will also touch on identity theft issues.

### One-Day Seminar

The one-day seminar is primarily designed as a refresher for clients who previously attended a three day retreat, however, it also offered as a standalone service.

## Item 5: Fees & Compensation

### Compensation for Our Advisory Services

#### Mr. Money College Organizer

The Mr. Money College Organizer costs up to \$29.99, and is payable at the time of sale. All sales are generally final with limited allowances made for refunds.

### **Mr. Money Financial Organizer**

The Mr. Money Financial Organizer costs up to \$149.99, and is payable at the time of sale. All sales are generally final with limited allowances made for refunds.

### **Mr. Money Tax Organizer**

The Mr. Money College Organizer costs up to \$29.99, and is payable at the time of sale. All sales are generally final with limited allowances made for refunds.

### **Mr. Money Team Membership**

Clients will be charged \$199 per month for a 6 month membership. Upon registration, clients will be billed the first two month's fee. Clients may elect to pay all 6 months upon registration. The client will be invoiced directly for the fees.

### **Newsletters**

"Mr. Money Talks Newsletter", a month web-based financial newsletter, is available for a subscription rate of up to \$50 a month. This fee is payable in arrears and clients may cancel at any time. Clients are not charge when cancellation occurs prior to the end of the monthly billing cycle.

We offer a month web based tax newsletter for a subscription rate of up to \$50 a month. This fee is payable in arrears and clients may cancel at any time. Clients are not charged when cancellation occurs prior to the end of the monthly billing cycle.

### **Three-Day Retreat**

Clients will be charged up to \$5,000 to attend the three day retreat. The fee is payable in advance. Client will have a period of five (5) business days from signing up for the retreat to unconditionally rescind their reservation and receive a full refund of all fees. Thereafter, the client may withdraw their reservation prior to attending the retreat and get a prorated refund. Generally due to the notice required to alter printing orders and the booking policies of the seminar venues.

### **One-Day Seminar**

Clients will be charged up to \$2,500 to attend the one-day seminar. The fee is payable in advance. Client will have a period of five (5) business days from signing up for one-day seminar to unconditionally rescind their reservation and receive a full refund of all fees. Thereafter, the client may withdraw their reservation prior to attending the retreat and get a prorated refund. Generally due to the notice required to alter printing orders and the booking policies of the seminar venues.

Our fees are generally non-negotiable. All sales are generally final with limited allowances made for refunds.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

Services provided to our seminar clients are not eligible to be charged performance-based fees.

## **Item 7: Types of Clients & Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

We do not have requirements for opening and maintaining accounts or otherwise engaging us.

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

### **Methods of Analysis**

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The Adviser's main sources of financial information are prospectuses, research materials prepared by others, corporate rating services, annual reports and company press releases. The Adviser may utilize official statements, continuing disclosures and other information available through the MSRB's Electronic Municipal Market Access system (EMMA) when analyzing municipal securities.

#### **Fundamental Analysis**

The Adviser uses fundamental analysis. Fundamental analysis involves predicting the price movement of an asset based on measures that are related to the underlying business. This method is used to judge the performance of management. (Although it is important to note that things outside of management's control can impact performance.)

Comparing the margins of the company and its relative performance to that of two or three of its peers will give an idea of whether the performance is potentially outside of management's control. The Adviser may recommend one or a combination of assets and investment strategies as follows:

### **Investment Strategies**

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#### **Modern Portfolio Theory**

The Adviser uses Modern Portfolio Theory as one of its core investment strategies. Modern Portfolio Theory ("MPT") involves a type of asset diversification that uses a mathematical formula for diversifying client investments and minimizing risk. MPT allows clients to attempt to maximize expected return on investments for a given amount of portfolio risk or minimize risk for a given level of expected return through carefully choosing the allocations of various assets in a client portfolio.

The idea is to select investments that collectively have a lower risk than any single asset. MPT describes how to select a portfolio with the highest possible expected return taking into consideration the amount of risk that a particular client is willing to bear. Expected returns are based on historical return data and the correlation among assets can converge and diverge for extended periods, therefore portfolios may not perform as anticipated.

## **Risk of Loss**

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Clients are advised that investing in securities involves the risk of loss of the entire principal amount invested including any gains. Clients should not invest unless they are able to bear this risk. Any of the above investment strategies may lead to a loss on investments.

Even hedging strategies may fail if markets move against the hedged investments. In addition, investing carries with it opportunity risk it is impossible to accurately predict the sectors of the market or asset classes that will have more favorable returns for a given period.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

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

Representatives of our firm are registered representatives of PKS, member FINRA/SIPC. They may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn and may not necessarily be in the best interests of the client.

Representatives of our firm are licensed insurance agent/broker doing business as Tri-Star Insurance Services. He may offer insurance products and receive normal and customary fees as a result of insurance sales. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation he may earn and may not necessarily be in the best interests of the client.

Mr. Rothstein is the owner of Tri-Star Financial Services, a tax preparation and related services firm. These services are independent of our financial planning and investment advisory services and are governed under a separate engagement agreement. The fees for these services are billed hourly and are in addition to the client's Tri-Star Financial's fees. The hourly rate varies depending on the complexity of the work conducted. The client has the option of engaging our firm for tax preparation or accounting services, and we do not actively solicit clients to utilize these services.

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

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business

with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

#### **Item 12: Brokerage Practices**

Clients through services offered as a part of our seminars do not establish custodial and/or broker-dealer relationships.

#### **Item 13: Review of Accounts or Financial Plans**

Clients through services offered as a part of our seminars do not establish account. We do not provide written reports to seminar clients.

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

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with the relevant state statutes and rules.

#### **Item 15: Custody**

Clients through services offered as a part of our seminars do not establish custodial and/or broker-dealer relationships. We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.

#### **Item 16: Investment Discretion**

We do not manage assets for seminar clients.

#### **Item 17: Voting Client Securities**

Services offered during our seminars do not require nor include proxy voting.

#### **Item 18: Financial Information**

We are not required to provide financial information in this Brochure because we do not require the prepayment of more than \$1,200 in fees and six or more months in advance, we do not take custody of client funds or securities and we do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

We have never been the subject of a bankruptcy proceeding.