

Firm Brochure
(Part 2A and 2B of Form ADV)

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC

10 Maxwell Drive, Suite 104B

Clifton Park, NY 12065

Phone: (518) 280-0030

Fax: (518) 280-0031

www.cfany.com

julie.sciandra@cfany.com

This brochure provides information about the qualifications and business practices of CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC. If you have any questions about the contents of this brochure, please contact us at: (518) 280-0030, or by email at: JULIE.SCIANDRA@CFANY.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 CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is available on the SEC's website at www.adviserinfo.sec.gov

March 22, 2019

Material Changes

Annual Update

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

Material Changes since the Last Update

There have been no material changes to the Firm Brochure since the 2019 version was published.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (518) 280-0030 or by email at: JULIE.SCIANDRA@CFANY.COM.

Table of Contents

Advisory Business	1
Firm Description	1
Principal Owners	2
Types of Advisory Services	2
Tailored Relationships	2
Types of Agreements	2
Financial Planning Agreement	2
Advisory Services Agreements	3
Retainer Agreement	4
Tax Preparation Agreement	4
Hourly Planning Engagements	4
Asset Management	4
Termination of Agreement	5
Fees and Compensation	5
Description	5
Fee Billing	5
Other Fees	5
Expense Ratios	6
Past Due Accounts and Termination of Agreement	6
Performance-Based Fees	6
Sharing of Capital Gains	6
Types of Clients	6
Description	6
Account Minimums	6
Methods of Analysis, Investment Strategies and Risk of Loss	7
Methods of Analysis	7
Investment Strategies	7
Risk of Loss	7
Disciplinary Information	8
Legal and Disciplinary	8

Other Financial Industry Activities and Affiliations	9
Financial Industry Activities.....	9
Affiliations	9
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
Code of Ethics.....	9
Participation or Interest in Client Transactions.....	9
Personal Trading.....	9
Brokerage Practices.....	10
Selecting Brokerage Firms.....	10
Best Execution	10
Soft Dollars	10
Order Aggregation	10
Allocation Procedures	10
Review of Accounts	11
Periodic Reviews	11
Review Triggers	11
Regular Reports.....	11
Client Referrals and Other Compensation	11
Incoming Referrals.....	11
Referrals Out	11
Custody.....	11
Account Statements.....	11
Performance Reports.....	12
Investment Discretion.....	12
Discretionary Authority for Trading.....	12
Limited Power of Attorney.....	12
Voting Client Securities	12
Proxy Votes	12
Financial Information	13
Financial Condition	13

Business Continuity Plan	13
General	13
Disasters	13
Alternate Offices	13
Information Security Program.....	13
Information Security	13
Privacy Notice	14
Education and Business Standards	15
Professional Certifications	15
Paul J. Corr, CPA, CFP®, PFS.....	17
Walton A. Williams, CPA, PFS.....	17
Kerry G. Mayo, CFA, CFP®.....	18
Julie Sciandra, CFP®.....	18
Jim Troyan, CFP®	19

Advisory Business

Firm Description

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC was founded in 2003.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC provides personalized confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates and business owners. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is strictly a fee-only financial planning and investment management firm. The firm does not sell products, annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products to earn commissions although it does use some of those products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted.

Investment advice is an integral part of financial planning. In addition, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC advises clients regarding cash flow, college planning, retirement planning, tax planning and estate planning.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not act as a custodian of client assets. The client always maintains asset control. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC places trades for clients under a limited power of attorney.

An evaluation of each client's initial situation is provided to the client. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur, but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC can refer clients to appropriate professionals whose expertise we trust. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone at (518) 280-0030, is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

Principal Owners

Paul Corr, Walton Williams, Julie Sciandra and Kerry Mayo are all members of the Firm. Paul Corr owns 25% of the LLC. Walton Williams owns 25%% of the LLC. Kerry Mayo owns 25% of the LLC. Julie Sciandra owns 25% of the LLC.

Types of Advisory Services

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC provides investment supervisory services, also known as asset management services, and furnishes investment advice through consultations.

On more than an occasional basis, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

As of 3/30/2019, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC manages approximately \$138 million in assets for approximately 100 clients. Approximately \$138 million is managed on a discretionary basis, and \$0 is managed on a non-discretionary basis.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Types of Agreements

The following agreements define the typical client relationships:

Financial Planning Agreement

A financial plan is designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The firm charges \$215 per hour for financial planning services. It provides an estimate of the time it will take to complete the services. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Additional implementation work is billed separately at the rate of \$215 per hour.

Advisory Services Agreements

Most clients choose to have CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC manage their assets in order to obtain ongoing in-depth advice and life planning. All major aspects of the client's financial affairs are reviewed. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for Advisory Services is provided to the client in writing prior to the start of the relationship. The agreements that govern Advisory Services include: Financial Planning Engagement Letter, Investment Management Agreement and Investment Policy Statement. Advisory Services may include: cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax planning, as well as the implementation of recommendations within each area.

The annual Investment Management Agreement fee is based on a percentage of the investable assets according to the following schedule:

- _1.00%_ on the first \$1,000,000;
- _0.75%_ on the next \$1,000,000 (from 1,000,001 to 2,000,000);
- _0.50%_ on the next \$4,000,000 (from 2,000,001 to 6,000,000); and
- _0.40%_ on the assets above \$6,000,000.

Although the Agreements are ongoing, adjustments may be required. The length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the completion of the

prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC may waive management fees for immediate family members.

Retainer Agreement

In some circumstances, a *Retainer Agreement* is executed in lieu of the fee schedule in the Investment Management Agreement, when it is more appropriate to work on a fixed-fee basis. The annual fee for a *Retainer Agreement* is dependent on the assets under management and is *negotiable*.

Tax Preparation Agreement

Tax preparation work is not included in the *Advisory Service Agreements* or *Retainer Agreements* scope of work. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC prepares summary tax information for the client's tax preparer.

Hourly Planning Engagements

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is \$215 per hour.

Asset Management

Assets are invested primarily in no-load mutual funds, individual fixed income securities and exchange-traded funds through TD Ameritrade Institutional. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. TD Ameritrade Institutional may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through TD Ameritrade Institutional. TD Ameritrade Institutional may charge a fee for stock and bond trades. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not receive any compensation, in any form, from fund companies or TD Ameritrade Institutional.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (mutual funds shares), U.S. government securities, options contracts, futures contracts, exchange traded funds, and interests in partnerships.

Initial public offerings (IPOs) are not available through CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC.

Termination of Agreement

A client may terminate any of the aforementioned agreements at any time by notifying CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC in writing and paying the rate for the time spent on the investment advisory engagement prior to notification or termination. If the client made an advance payment, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC will refund any unearned portion of the advance payment.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC will refund any unearned portion of the advance payment.

Fees and Compensation

Description

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC bases its fees on a percentage of assets under management, hourly charges and fixed fees.

Some *Retainer Agreements* may be priced based on the complexity of work.

Financial plans are priced according to the degree of complexity associated with the client's situation.

Fee Billing

Investment management fees are billed quarterly, in *ARREARS*, meaning that CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC invoices the client *AFTER* the three-month billing period has *ENDED*. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition and similar considerations).

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by the client to CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Past Due Accounts and Termination of Agreement

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC reserves the right to stop work on any account that is more than 30 days overdue. In addition, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC reserves the right to terminate any financial planning engagement when a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk for the client.

Types of Clients

Description

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates and corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

The minimum account size is \$500,000 of assets under management, which equates to an annual fee of \$5,000.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC has the discretion to waive the account minimum. Accounts of less than \$500,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$500,000 within a reasonable time. Other exceptions will apply to employees of CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC and their relatives, or relatives of existing clients.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, review of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC may use include YCharts, TD Ameritrade Institutional, and the World Wide Web.

All advisors of CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC attend conferences, seminars and educational meetings sponsored by their affiliated organizations, such as the FPA, AICPA, NAPFA, IMA, the CFA Institute and others.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents his or her objectives and desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach assesses the risk appropriate for each client. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise,

yields on existing bonds become less attractive, causing their market values to decline.

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance business operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Disciplinary Information

Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is not registered as a securities broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC has no outside affiliations.

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

Code of Ethics

The employees of CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC and its employees may buy or sell securities that are also held by clients. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC and its employees may not trade their own securities ahead of client trades. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC and its employees comply with the provisions of the CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC *Policies and Procedures Manual*.

Personal Trading

The Chief Compliance Officer of CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is Julie Sciandra. She reviews all employee trades each quarter. Her trades are reviewed by Kerry Mayo. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades, exchange-traded fund trades or fixed income trades, the trades do not affect the securities markets.

Brokerage Practices

Selecting Brokerage Firms

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not have any affiliation with product sales firms.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC custodies the assets it manages at the discount brokerage (qualified custodian) TD Ameritrade Institutional.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC *does not* receive fees or commissions from its custodian.

Best Execution

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC reviews the execution of trades at its custodian each quarter. The review is documented in the CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC *Policies and Procedures Manual*. Trading fees charged by the custodian are also reviewed on a quarterly basis. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not receive any portion of the trading fees.

Soft Dollars

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is provided research reports from TD Ameritrade Institutional. All clients benefit from this research.

The selection of TD Ameritrade Institutional as the custodian for clients is not affected by the research services because all custodians provide similar services to the advisors with whom they maintain relationships.

Order Aggregation

Most trades are mutual funds, exchange-traded funds or individual fixed-income securities where trade aggregation does not garner any client benefit.

Allocation Procedures

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC purchases fixed income in blocks in most cases. The bonds are allocated among accounts based on need according to the client's allocation. The clients that need the most fixed income based on their allocation are given the available bonds and notes first. Fixed income is allocated in round lots to improve liquidity when possible. No other factors determine allocation of fixed income securities, including size of assets and tenure.

Review of Accounts

Periodic Reviews

Account reviews are performed continuously by advisors Paul Corr, Kerry Mayo, Julie Sciandra, Jim Troyan, and Walton Williams.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

Account reviewers are members and employees of the firm. They consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Clients receive periodic communications on at least a quarterly basis. *Investment Management* clients and *Retainer Agreement* clients receive written quarterly updates. The written updates may include a portfolio statement, performance summaries and a summary of objectives and progress towards meeting those objectives.

Client Referrals and Other Compensation

Incoming Referrals

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC has been fortunate to receive many client referrals over the years. The referrals have come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to the firm.

Custody

Account Statements

All assets are held at the custodian, TD Ameritrade, which provides monthly account statements directly to clients at their address of record or email address.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the quarterly performance report statements provided by CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC.

Investment Discretion

Discretionary Authority for Trading

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC accepts discretionary authority to manage securities accounts on behalf of clients. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is given the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC consults with the client prior to each trade to obtain concurrence on the rare instance that a blanket trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not receive any portion of the transaction fees or commissions paid by the client to the custodian on trades.

Discretionary trading authority facilitates placing trades in client accounts on the client's behalf so that CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC may promptly implement the investment policy that the client has approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. The client signs a limited power of attorney as part of account applications so that CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC may execute the trades in the client's account.

Voting Client Securities

Proxy Votes

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not vote proxies on securities. Clients are expected to vote their own proxies if they choose.

When assistance on voting proxies is requested, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Financial Information

Financial Condition

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not serve as a custodian for client funds or securities and does not require prepayment of fees.

Business Continuity Plan

General

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters, such as snow storms, hurricanes, tornados, and flooding. The Plan also covers man-made disasters, such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Information Security Program

Information Security

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC maintains an information security program to reduce the risk that a client's personal and confidential information may be breached. The pinnacle of this program is Entreda's Unify service platform for RIAs. Entreda monitors, remediates and enforces cybersecurity compliance, conforming to FINRA and SEC technology guidelines, on all electronic communication devices (desktop and hand-held) owned by CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC advisors while in the offices, as well as at home and in public spaces.

Privacy Notice

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about the client's personal finances, information about his/her health to the extent that it is needed for the financial planning process, information about transactions between the client and third parties, and information from consumer reporting agencies, e.g., credit reports. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC uses this information to help the client meet his/her personal financial goals.

With the client's permission, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC discloses limited information to attorneys, accountants, and mortgage lenders with whom the client has established a relationship. the client may opt out from CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC sharing information with these nonaffiliated third parties by notifying Julie Sciandra at any time by telephone (518) 280-0030, mail, fax, email to JULIE.SCIANDRA@CFANY.COM, or in person. With the client's permission, CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC shares a limited amount of information about the client with his/her brokerage firm in order to execute securities transactions on the client's behalf.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC maintains a secure office to ensure that client information is not placed at unreasonable risk. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC employs a firewall barrier, secure data encryption techniques and authentication procedures in the firm's computer environment.

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC does not provide client personal information to mailing list vendors or solicitors. CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC requires strict confidentiality in our agreements with unaffiliated third parties that require access to client personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review the firm's records and client personal records as permitted by law.

Personally identifiable information about clients will be maintained while they are engaged by CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

Education and Business Standards

CAPITAL FINANCIAL ADVISORS OF NEW YORK, LLC requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: Masters Degree, CFP® certification, CFA charter, Juris Doctorate, or CPA/PFS. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Professional Certifications

The advisors have earned the following certifications and credentials that are explained below.

Certified Financial Planner (CFP®): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP® certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience or two years of apprenticeship experience that meets additional requirements.
- Successfully pass the Candidate Fitness Standards and background check.
- Completion of 30 hours of continuing education every two years.

Personal Financial Specialist (PFS): The PFS credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. PFS certification requirements:

- Hold an unrevoked CPA license and be a member of the AICPA in good standing.
- Fulfill 3,000 hours of personal financial planning business experience.
- Completion of 75 hours of personal financial planning continuing professional education credits.
- Successfully pass a comprehensive financial planning exam.
- Adherence to the AICPA's Code of Professional Conduct.
- Completion of 120 hours of continuing professional education for the CPA license, including 60 hours of financial planning continuing professional education, every three years.

NAPFA Registered Advisors®: The top level of membership in the National Association of Personal Financial Advisors (NAPFA). NAPFA Registered Advisors® certification requirements:

- Bachelor's degree from an accredited college or university.
- Submit and gain approval of a peer reviewed sample comprehensive financial plan or participation in a comprehensive peer review of the firm's planning process.
- Possess the CFP designation.
- Adhere to NAPFA's Fiduciary Oath
- Complete 60 hours of continuing education every two years.
- Provide investment and/or financial planning advice on a strictly fee-only basis.

Certified Public Accountant (CPA): Certified Public Accountants in New York are licensed by the New York State Department of Education. New York CPA certification requirements:

- Bachelor or higher degree from a program which meets New York's 150 semester hour education requirement and is acceptable to New York's Education Department.
- Successful completion of the Uniform CPA Examination prepared and graded by the American Institute of Certified Public Accountants.
- Two years of full-time experience providing accounting or auditing services under the supervision of a certified public accountant.
- Completion of 120 hours of continuing professional education every three years.

Chartered Financial Analyst (CFA): The CFA charter is a globally respected, graduate level investment credential. The CFA Program curriculum provides a comprehensive framework of knowledge for ethical investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession.

- Bachelor or higher from an accredited college or university.
- Fulfill 4 years of professional work experience in investment decision making.
- Obtain membership in a CFA society such as the New York Society of Securities Analysts.
- Successfully pass three six-hour comprehensive exams requiring 300 hours of study per level.

Paul J. Corr, CPA, CFP®, PFS**Educational Background:**

- Date of birth: April 4, 1944
- State University New York at Albany, M.S. Accounting, 1981 (Beta Gamma Sigma)
- Washington University, M.A./Ph.D. Literature, 1973/76
- Thunderbird Graduate School of International Management, 1966-67
- State University of New York at Buffalo, B.A. Literature with significant course work in physical sciences, 1966 (Phi Beta Kappa)
- NAPFA Registered Advisor

Business Experience:

- Paul J. Corr has been a member of Capital Financial Advisors of New York, LLC since February 2003.
- Paul J. Corr returned to teaching in September 2016 at Skidmore College where he teaches accounting, financial analysis and finance as a Visiting Associate Professor of Management and Business. In 2007, Paul J. Corr retired from his position as an Associate Professor in the Department of Management and Business at Skidmore College where he taught finance, taxation, accounting and investments since 1981.
- From July 1999 to August 2011, he had been a shareholder in Rutnik & Corr, P.C., a firm of certified public accountants, where he specialized in financial and tax planning.
- He was a consultant to Richter & Company, certified public accountants, from 1996 to 1999. This firm was a successor to Corr & Company, certified public accountants.
- Paul J. Corr is also a member of the board of directors and chair of the audit committee of Espey Mfg. & Electronics Corp.

Other Business Activities: Board member of Espey Mfg. & Electronics Corp., a public company located in Saratoga Springs, N.Y.

Additional Compensation: Compensation as a Visiting Associate Professor at Skidmore College and compensation as a board member of Espey Mfg. & Electronics Corp.

Walton A. Williams, CPA, PFS**Educational Background:**

- Date of birth: August 17, 1942
- State University of New York at Albany, B.S./Accounting, 1970
- NAPFA Registered Advisor

Business Experience:

- Walton A. Williams has been a member of Capital Financial Advisors of New York, LLC since February 2003.
- Since 1997, Walton A. Williams has practiced as a certified public accountant (sole proprietorship) focusing on tax and financial planning and business valuation analysis.
- From September 1987 through October 1997, he was managing partner of Williams, Matt & Rutnik, P.C., a firm of certified public accountants in Latham, New York.

Other Business Activities: Private Tax Consulting

Additional Compensation: Compensation from private tax consulting

Kerry G. Mayo, CFA, CFP®

Educational Background:

- Date of birth: September 23, 1979
- Saint Michael's College, B.A. History, 2001
- State University of New York at Albany, M.A. Economics, 2005
- NAPFA Registered Advisor

Business Experience:

- Kerry G. Mayo has twice been an employee of Capital Financial Advisors of New York, LLC. He first worked for the firm from September 2004 until June 2005. His current employment with the firm began in June of 2007.
- From July 2005 until June of 2007, Kerry worked as a research economist for Economic & Policy Resources, Inc. in Williston, Vermont.

Julie Sciandra, CFP®

Educational Background:

- Date of birth: March 21, 1968
- Graduate School of Business, Columbia University, M.B.A., 1999
- Saint Lawrence University, B.A. Economics, 1990

Business Experience:

- Julie Sciandra has worked for the firm since July 2011

- Project manager and independent consultant to various businesses since January 2005
- Manager at William Pietersen Consulting in New York City from 2001 until 2005
- Senior Consultant at Accenture, LLC from 1999 to 2001

Jim Troyan, CFP®**Educational Background:**

- Date of birth: November 10, 1957
- University at Albany/SUNY, M.A. English, 1991
- Saint Bonaventure University, BS Mathematics, 1979

Business Experience:

- Started work for the firm in August 2015.
- From 1996-2014 worked in financial planning and investment management for several area firms.
- Various positions in education and information technology

Supervision: Jim's interaction with clients is monitored by members of the firm through joint meetings, copying on electronic communications and pre-reviewed correspondence. Kerry G. Mayo is responsible for monitoring the actions of Jim. Kerry is a member of the Limited Liability Company and can be reached at (518) 280-0030.