



# ADVISORS FINANCIAL INC

## **Advisors Financial, Inc. Part 2A of Form ADV Brochure**

Updated: March 27, 2020

This Form ADV Part 2A ("Disclosure Brochure") provides information about the qualifications and business practices of Advisors Financial, Inc. ("AFI" or the "Advisor"). If you have any questions about the contents of this Disclosure Brochure, please contact the Advisor at (703) 883-0300 or by email at [afi@advisorsfinancial.com](mailto:afi@advisorsfinancial.com).

AFI is a registered investment advisor with the U.S. Securities and Exchange ("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 through AFI to assist you in determining whether to retain the Advisor.

Information about AFI is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 144837.

## ITEM 2 – MATERIAL CHANGES

Form ADV 2 is divided into two parts: Part 2A (the “Disclosure Brochure”) and Part 2B (the “Brochure Supplement.”) The Disclosure Brochure provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of AFI. For convenience, we have combined these documents into a single disclosure document.

AFI believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information. AFI encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. We always welcome your feedback.

**Material Changes.** The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

The Advisor has amended its fees for financial planning services. Please see Item 5 for additional details.

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

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](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 144837. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at 703-883-0300.

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## **ITEM 4 – ADVISORY BUSINESS**

### **A. Firm Information**

Advisors Financial, Inc. (“AFI” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a Corporation under the laws of the Commonwealth of Virginia. AFI is the successor corporation of Advisors Financial, Inc. that was founded in 1985 and that sold all its assets to AFI as of June 27, 2007. AFI’s registration became effective on August 3, 2007. The Advisor is owned by Joseph M. Van Name (President and Chief Compliance Officer.)

### **B. Advisory Services Offered**

AFI primarily provides customized investment management services and financial planning to individuals, high net worth individuals, trusts, estates, foundations, endowments, charitable organizations and other legal entities (each referred to as a “Client.”) AFI generally invests Client assets in domestic and international stocks, bonds, mutual funds, and exchange-traded funds (“ETFs”).

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. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

The two major areas of our advisory business are listed below:

#### **1. Financial Planning Services**

AFI believes that coordinated financial planning services are a valuable component of a Client’s financial life. AFI will typically provide a variety of financial planning services to individuals and families, pursuant to a written financial planning agreement. Services are offered in several areas of a Client’s financial situation, depending on their goals, objectives, needs, and individual circumstances.

Generally, such financial planning services will involve preparing a financial plan based on the Client’s financial goals and objectives. This planning or consulting may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, education savings and other areas of a Client’s financial situation.

Financial planning recommendations pose a potential 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.

**Continuing Financial Planning Services.** In addition to investment management, AFI also provides services to Clients in areas of cash flow, tax impact, insurance needs, and estate

planning scenarios, and other investment related areas. These services are offered in conjunction with the Client's ongoing Continuing Advisory relationship.

**General Financial Planning Services.** General Financial Planning Services are similar to Continuing Financial Planning Services but are provided on an as needed basis as opposed to an ongoing basis. The same subject areas are reviewed and evaluated, but only at the request of the Client.

**Coordinated Financial Planning Services.** Coordinated Financial Planning Services are similar to Continuing Financial Planning Services but are generally provided at the beginning of a relationship for a limited time period.

## **2. Portfolio Management Services**

**AFI Managed Accounts.** AFI Managed Accounts are a discretionary asset allocation system utilizing AFI's investment management services. AFI's Investment Committee research determines the asset allocation and investment products used in Managed Accounts. The accounts may be composed of mutual funds, ETFs, stocks, and individual bonds depending on the specific needs of individual Clients. The benefits of opening these types of accounts include:

- Individualized management of your account(s)
- Annual reviews of your account(s)
- Performance reporting

**AFI Investment Supervisory Services (AFI ISS).** Managed Accounts utilizing AFI Investment Supervisory Services (AFI ISS) refer to asset allocation system on the AssetMark Inc. ("AssetMark") Platform offering multiple institutional level strategies. AFI receives a portion of the total fee paid by the Client on a quarterly basis. Further information is provided in the tri-party contract (between AFI, AssetMark and the Client) that is provided to the Client.

The minimum investment required in the AssetMark Platform depends upon the Investment Solution chosen for a Client's account[s] and is generally \$25,000-\$50,000 for Mutual Fund and Variable Annuity accounts, \$100,000 for ETF Accounts, \$250,000 for Distribution Strategies and from \$50,000 to \$500,000 for Privately Managed and Unified Managed Accounts ("UMA"). Accounts below the stated minimums may be accepted on an individual basis at the discretion of the Platform Sponsor.

## **C. Client Account Management**

AFI works with each Client to establish an appropriate investment profile. The specific investment profile is tailored to each Client based on their situation and the information provided by the Client. Clients may impose reasonable restrictions on AFI's management of their accounts.

## **D. Wrap Fee Programs**

AFI does not manage a wrap fee program but may recommend that the Clients establish accounts through a wrap fee structure at AssetMark.

## **E. Assets Under Management**

As of December 31, 2019, AFI manages \$212,906,479 in discretionary assets. Clients may request more current information at any time by contacting the Advisor.

### **ITEM 5 – FEES AND COMPENSATION**

AFI charges its Clients investment management and financial planning fees based on the investment program listed below:

**Continuing Financial Planning Services.** Fees for Continuing Financial Planning Services are based on the Client's total investable assets (all investment assets not including personal residence, automobiles, and other personal property items, but including non-securities assets such as investment real estate,) assets management directly by AFI, and the complexity of each financial planning situation. The annual renewal date is based on the month the Client first began making use of Continuing Financial Planning Services. The fee is due in two equal installments at the beginning and middle of the contract period. Fees range from \$250 to \$10,000. AFI, in its sole discretion, may waive or negotiate lower fees for certain Clients.

Either party may terminate the Continuing Financial Planning Agreement, at any time, with advance written notice to the other party. If the termination is in the middle of a billing period, AFI will reimburse the Client the pro-rata portion of unearned fees. The fees are payable in two installments over the term of the annual contract.

**Coordinated Financial Planning Agreement and General Financial Planning Agreement.**

AFI Clients governed by our Coordinated Financial Planning Agreement and/or General Financial Planning Agreement are billed on an hourly basis at a rate ranging from \$125 - \$350 per hour.

AFI, in its sole discretion, may waive or negotiate lower fees for certain Clients. Fees for the Coordinated Financial Planning Agreement are payable in two installments, half of which is due at the time of signing the agreement and the other half upon delivery of the financial plan document. General Financial Planning Agreement fees are payable monthly as invoiced. Either party may terminate the financial planning agreement, at any time, with advance written notice to the other party and the Client will receive a refund of any unearned fees on a pro-rata basis.

**AFI Managed Accounts.** The fee for AFI Managed Accounts is up to 1.50% annually. Fees for AFI Managed Accounts are charged quarterly, in arrears, based on the average daily balance of assets under management during the calendar quarter. Clients authorize AFI to deduct fees automatically from their accounts, but may request that AFI send quarterly invoices to be paid by check. Fees are negotiable at the discretion of the Advisor. For Clients who authorize AFI to deduct fees, Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. For accounts that are leaving AFI management, the Advisor reserves the right to deduct management fees for the period of AFI management from the start of the current quarter to the date of notice of termination.

The Advisor's fees noted above do not include the fees paid to the Investment Platform or any Independent Manager. The Custodian may charge fees that are in addition to and separate from the Advisor's fees. Custodians may charge Accounts for various transaction costs, and retirement plan and administrative fees, as applicable. Certain Custodians recommended by the

Advisor do 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. In addition, mutual fund and investment products may be subject to annual expenses as described in each product's prospectus.

Additional details are available in the Investment Advisory Agreement, which is available in advance upon request.

**AFI Investment Supervisory Services (AFI ISS).** Accounts on the AssetMark Platform are assessed a total Account Fee. This Account Fee includes the Financial Advisor's fee plus the fees for utilizing the AssetMark Platform (together the "Advisory Fee"). Additionally, the Account Fee may also include fees payable to any third-party Discretionary Manager under the IMA, CMA or UMA investment solutions. After the AssetMark Platform Fee is deducted from the Advisory Fee, the resulting net fees are payable to the Financial Advisor. The combined fees will never exceed 3.00%.

The fee schedule for Mutual Fund and ETF models is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.35%
Next \$250,000	1.20%
Next \$500,000	1.00%
Next \$1,000,000	0.85%
Over \$2,000,000	0.84%

The fee schedule for Privately Managed Accounts is as follows:

Assets Under Management	Annual Fee
First \$1,000,000	1.70%
Next \$2,000,000	1.35%
Next \$2,000,000	1.20%
Over \$5,000,000	1.05%

Client fees are payable quarterly, in advance of each calendar quarter, based on the market value of assets under management at the end of the previous quarter. Clients may terminate AssetMark accounts, at any time, and receive a full pro-rata refund of any unearned fees. From time to time fees may be negotiated. Other fees vary by specific program and may include underlying Mutual Fund expenses, trading costs, and custodial costs.

Additional details are available in the Client Services Agreement, which is available in advance upon request.

## ITEM 6 – PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

AFI does not charge or accept any performance fees. Some investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures. However, these conflicts of interest are not applicable to AFI.

## **ITEM 7 – TYPES OF CLIENTS**

AFI primarily provides customized investment management services to individuals, high net-worth individuals, trusts, estates, foundations, endowments, charitable organizations, and other legal entities. AFI's minimum investment asset size is generally \$500,000, but this amount may be reduced at the sole discretion of AFI.

Additionally, third party money managers may impose minimums for the investment strategies as noted in Item 4B above.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

All investing involves a risk of loss. By investing the Client should not risk more than they are prepared to lose or have at risk of volatility.

AFI's Investment Committee works together to conduct fundamental analysis on all securities and strategists recommended for Client accounts. This analysis varies depending on the security in question. For stocks and bonds, the analysis generally includes a review of:

- The issuer's management;
- The amount and volatility of past profits or losses;
- The issuer's assets and liabilities, as well as any material changes from historical norms;
- Prospects for the issuer's industry, as well as the issuer's competitive position within that industry; and
- Any other factors considered relevant.

For mutual Funds and ETFs, the analysis generally includes a review of:

- The fund's parent company and management team;
- The fund's historical risk and return characteristics;
- The fund's exposure to sectors and individual issuers;
- The fund's fee structure; and
- Any other factors considered relevant.

AFI's Investment Committee is led by Joseph M. Van Name and Steven A. Tomisek, and also includes Amy C. Hoffman, Susan Warren, Karen Monborne, and other staff as needed. The Investment Committee generally meets monthly to discuss existing and prospective investments. Investments are evaluated independently, as well as in the context of Clients' existing holdings and sector exposures.

AFI primarily invests for relatively long time horizons, often for a year or more. However, market developments could cause AFI to sell securities more quickly.

The AFI ISS (AssetMark) platform uses model portfolios of mutual funds, Exchange Traded Funds (ETFs) and Variable Annuity sub-accounts provided by a number of institutional investment strategists. AFI evaluates these strategists for selection based on the information, research, asset allocation methodology and investment strategies they employ. AFI recommends investment strategists based on the Client's needs.

AFI may also introduce Clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios using a variety of



different securities analysis methods, sources of information and investment strategies. Clients will receive a separate disclosure from such investment managers regarding any such investment manager's advisory services.

With respect to Clients investing in the AssetMark Platform, AFI introduces Clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios including a wide variety of different securities types. Clients will receive a separate disclosure from such investment managers regarding any such investment manager's advisory services.

**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**

AFI and its Supervised Persons have not been involved in any legal or disciplinary events that would be material to a Client's evaluation of the company or its Supervised Persons. AFI values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner.

Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and can be found by searching with our firm name or our CRD# 144837.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

A. Neither the firm, management, nor its associates are registered or have a pending application to register with a Financial Industry Regulatory Authority (FINRA) member firm as Registered Representative.

Mrs. Hoffman is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from Mrs. Hoffman's role with AFI. As an insurance professional, Mrs. Hoffman will receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mrs. Hoffman is not required to offer the products of any insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mrs. Hoffman or AFI.

B. Neither AFI, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

AFI has adopted a written code of ethics that is applicable to all persons associated with AFI (our "Supervised Persons"). Among other things, the code requires AFI and its Supervised Persons to act in Clients' best interests, abide by all applicable regulations, avoid even the

appearance of insider trading, and pre-clear and report on many types of personal securities transactions. AFI's restrictions on personal securities trading apply to Supervised Persons as well as Supervised Persons' family members living in the same household. A copy of AFI's code of ethics is available upon request, please contact the Advisor at 703-883-0300.

AFI's Supervised Persons are expected to purchase or sell securities for their personal accounts only after trading of that same security has been completed in Client accounts or at the same time as clients in our average cost account. The CCO monitors the trading of its Supervised Persons, relative to Client trading, to ensure that Supervised Persons do not engage in improper transactions. Supervised Persons are required to report securities transactions and holdings for all accounts in which the Supervised Person has a direct or indirect beneficial ownership interest.

AFI maintains a watch list of securities that are being considered for Client accounts, as well as securities already held in Client accounts. Any proposed transaction involving securities on the watch list requires pre-clearance from the CCO. The CCO does not grant pre-clearance where it would appear that a Supervised Person's trading could disadvantage any AFI Client.

Under certain circumstances, Supervised Persons might invest in a security that is not considered suitable for Client accounts because of size, liquidity, or other factors. A change in these factors could result in the security becoming more suitable for Clients, but the CCO might not allow the security to be purchased for Client accounts in order to avoid even the appearance of any Supervised Person trading ahead of Clients. In AFI's experience, it is rare for a Supervised Persons' personal trading to limit Clients' investment opportunities, but such a situation may arise from time to time.

Joseph M. Van Name, Amy C. Hoffman, Susan Warren, and Karen Monborne are CFP® practitioners. CFP® certification requires you to agree to adhere to the CFP Board's [Standards of Professional Conduct](#) – including the *Code of Ethics and Professional Responsibility*, *Rules of Conduct*, and *Financial Planning Practice Standards* – and to acknowledge the CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*.

Joseph M. Van Name has been awarded the Accredited Investment Fiduciary Analyst® (AIFA®) designation from the Center for Fiduciary Studies®, the standards-setting body for Fi360. The AIFA designation signifies the ability to perform fiduciary assessments measuring how well investment fiduciaries are fulfilling their duties to a defined standard of care. The designation is the culmination of a rigorous training program, which includes a comprehensive, closed-book examination under the supervision of a proctor, and agreement to abide by the Code of Ethics and Conduct Standards. On an ongoing basis, completion of continuing education and adherence to the Code of Ethics and Conduct Standards are required to maintain the AIFA designation.

## **ITEM 12 – BROKERAGE PRACTICES**

### **A. Recommendation of Custodian(s)**

AFI 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 AFI to direct trades to the Custodian as agreed in the Client's agreement. Further, AFI does not have the discretionary authority to negotiate

commissions on behalf of our Clients on a trade-by-trade basis. AFI generally recommends that its Clients arrange for their assets to be held with Fidelity Investments ("Fidelity") or Pershing LLC ("Pershing.")

The Advisor determines, in good faith, that the overall costs are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the Custodian's services, including the value of research provided, execution capability, commission rates, and responsiveness. The transaction fees, as applicable, charged by the designated Custodian are exclusive of, and in addition to, AFI's investment management fee. AFI's best execution responsibility is qualified if securities that it purchases for Client accounts are mutual funds that trade at net asset value as determined at the daily market close. For further disclosure AFI may select a Custodian based on its interest in receiving the research or other products or services rather than based upon most favorable execution. AFI does not believe this to be the situation with our current recommendations. AFI does not participate in any soft dollar programs sponsored or offered by any custodian.

**The Selection of Trading Counterparties.** AFI can typically trade accounts held at Fidelity, using other Custodians. However, Fidelity charges Clients trade-away fees that AFI believes outweigh any benefits from trading stocks, mutual funds, or ETFs with other broker-dealer/custodians. The availability and pricing of bonds varies more widely, so prior to placing a bond trade AFI solicits bids through Fidelity from several dealers and then executes the trade via Fidelity with the dealer that offers sufficient liquidity and the most favorable pricing.

For Clients who elect to have their accounts held by firms other than Fidelity, AFI's approach is generally to trade stocks, bonds, mutual funds, and ETFs with the chosen Custodian. Some Clients' accounts are relatively small, in which case the Custodian may not allow AFI to trade through other firms. Other Clients may specifically request that their accounts only be traded through a particular custodian. AFI trades these accounts through the firm chosen by the Client, which limits AFI's ability to seek best execution. In addition, AFI may be limited in the services it can provide if the recommended Custodian is not engaged. Trading restrictions may result in materially higher trading costs and reduced returns.

**Best Execution Reviews.** On at least an annual basis AFI's Chief Compliance Officer and other selected staff evaluate the pricing and services offered by Fidelity, Pershing and other custodians with those offered by other reputable firms. AFI has sought to make a good-faith determination that Fidelity, Pershing and other custodians provide Clients with good services at competitive prices. However, Clients should be aware that this determination could have been influenced by AFI's receipt of products and services. Historically AFI has concluded that Fidelity and Pershing are in the Client's best interest. AFI would notify its Clients if it were to determine that another firm offered better overall services than Fidelity and Pershing.

**AFI Investment Supervisory Services ("AFI ISS").** When Clients utilize AFI ISS services AFI assists the Client in selecting the risk/return objective and portfolio strategies that best suit the Client's objectives. The Client then specifically directs the account to be invested in accordance with the chosen asset allocation. When the Client selects the asset allocation, the Client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected portfolio strategies. This Client authorization results in the purchase and sale of certain mutual funds or ETFs (or transfers between variable annuity sub-accounts)

without further authorization by the Client or any other party at such time as the change in the composition of the portfolio strategies of the selected model asset allocation.

The Client receives confirmation of all transactions in the account and is free to terminate participation in the Platform and retain or dispose of any assets in the account at any time. AFI has no authority to cause any purchase or sale of securities in any Client account or change the selected model asset allocation or to direct the account to be invested in any manner other than as previously authorized by the Client.

If a Client selects an IMA, UMA or CMA investment solution, the third-party managers are granted the authority to manage the accounts on a discretionary basis, including the authority to buy, sell, select, remove and select securities and other investments for the account, and to select broker-dealers or others through which transactions will be effected.

## **B. Aggregated Trades**

AFI Client accounts that make use of the AFI ISS typically use aggregated trades. Clients participating in a bunched order receive the same average price and incur trading costs that are the same as would be paid if they were trading individually. Supervised Persons may be included side-by-side in bunched Client trades. If an order is partially filled, Clients will have their orders fully filled on a randomized basis; AFI will seek to have completed any unfilled Client orders on the next trading day. Supervised Persons are excluded from bunched trades whenever Client orders are only partially filled. AFI Client accounts that make use of other options typically do not make use of aggregated trades as the timing of the trading is frequently dictated by individual meeting and re-balancing schedules.

## **ITEM 13 – REVIEW OF ACCOUNTS**

Securities in accounts under AFI's management are monitored on an ongoing basis by the individual financial planners and the Chief Compliance Officer. The financial planners review each account on at least an annual basis, as well as in connection with each Client meeting. On at least a quarterly basis, the Chief Compliance Officer reviews a number of reports that are designed to identify accounts that are outside the expected ranges for returns, exposure to asset classes, and exposure to industry sectors. Reviews of Client accounts will also be triggered if a Client changes his or her investment objectives, or if the market, political, or economic environment changes materially.

Clients will receive account statements directly from their chosen Custodian on at least a quarterly basis. AFI may supplement these custodial statements with reports provided during Client meetings or as requested. As per the Agreement, Clients also receive quarterly performance reports for managed accounts.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **A. Compensation Received by AFI**

AFI may receive from Pershing and Fidelity indirect economic benefits including research, information and access to technology. From time to time the cost of due diligence visits may be borne by outside management firms.

Economic benefits received from Fidelity and Pershing include products and services free of charge or at discounted rates, such as:

- The receipt of duplicate Client confirmations, statements, and other account information;
- Direct advisory fee debiting capabilities;
- Access to an electronic network for order entry, including the simultaneous entry of trades on behalf of multiple Client accounts;
- A portfolio management system and software that supports AFI's research processes.

**Participation in Institutional Advisor Platforms.** AFI has established an institutional relationship with Fidelity to assist AFI in managing Client account[s]. Access to the Institutional Platform is provided at no charge to the Advisor. AFI receives access to software and related support with minimal cost because the Advisor renders investment management services to Clients that maintain assets at the Institutional Platform. The software and related systems support may benefit AFI, but not its Clients directly. In fulfilling its duties to its Clients, AFI 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 potential conflict of interest since these benefits may influence AFI's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, AFI may receive the following benefits from the Institutional Platform: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; access to research; and access to an electronic communication network for Client order entry and account information.

AFI does not believe that Clients whose accounts are held by Pershing or Fidelity bear any additional costs in connection with AFI's receipt of the products and services. Furthermore, the provision of these products and services is not contingent upon AFI formally committing any specific amount of business to Pershing or Fidelity. However, AFI would not receive these products and services if Client accounts were not held in custody and traded by Pershing or Fidelity. AFI's receipt of these products and services creates a conflict of interest in connection with AFI's recommendation of Pershing and Fidelity because AFI does not have to produce or pay for the research, products or services it receives. Also, some of the products and services listed above benefit Clients whose accounts are held by other Custodians, which could create a conflict of interest between the Clients at Pershing or Fidelity, who are indirectly paying for the products and services, and the Clients at other Custodians who may benefit from the products and services.

With respect to the AFI ISS and the AssetMark Platform, AFI may, subject to negotiation with AssetMark, receive certain allowances, reimbursements or services from AssetMark in connection with AFI's investment advisory services to its Clients.

Under AssetMark's Gold/Platinum Premier Consultant Program, AFI may be entitled to receive a quarterly business development allowance for reimbursement for qualified marketing or practice management expenses incurred by AFI. These amounts range from \$5,000 to \$105,000 annually, depending on the amount of the Advisor's Client assets managed within the Platform. A conflict of interest may arise if assets are directed to this program with the sole

intention of increasing the development allowance. AFI feels that by having multiple options available it will retain independence and mitigate the conflict.

AssetMark may also bear the cost of airfare for firms such as AFI to attend AssetMark's annual conference or to conduct due diligence visits to AssetMark's offices. In addition, AssetMark may, from time to time, contribute to the costs incurred by participating firms such as AFI in connection with conferences or other Client events conducted by such firms and their representatives. In addition, AssetMark may agree to provide the firm or its representatives with organizational consulting, education, training and marketing support.

## **B. Client Referrals from Solicitors**

AFI does not compensate, directly or indirectly, any person for Client referrals.

## **ITEM 15 – CUSTODY**

All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct AFI to utilize the Custodian for the Client's security transactions. The Custodian will send account statements directly to the Client on at least a quarterly basis. Clients should carefully review these statements and should compare these statements to any account information provided by AFI to ensure accuracy, as the Custodian does not perform this review.

If the Client gives AFI the authority to move money from one account to another account, AFI may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and AFI have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

## **ITEM 16 – INVESTMENT DISCRETION**

AFI has investment discretion over all Client accounts. Clients grant AFI trading discretion through the execution of a limited power of attorney included in AFI's Investment Advisory contract.

Clients can place reasonable restrictions on AFI's investment discretion. For example, some Clients have asked AFI not to buy securities issued by companies in certain industries, or not to sell certain securities where the Client has a particularly low tax basis.

## **ITEM 17 – VOTING CLIENT SECURITIES**

Without exception AFI does not vote proxies on behalf of Clients. All proxy materials received on behalf of a Client account are to be sent directly to the Client or a designated representative of the Client, who is responsible for voting the proxy. AFI may answer Client questions regarding proxy-voting matters in an effort to assist the Client in determining how to vote the proxy. However, the final decision of how to vote the proxy rests with the Client.

**AFI Investment Supervisory Services ("AFI ISS").** The Client retains the right to vote proxies if the Account is invested in a Mutual Fund, ETF or Variable Annuity Investment Solution. If the Account is invested in an IMA, CMA, or UMA Investment Solution, the Client designates the

applicable Discretionary Manager as their agent to vote proxies on securities in the Account. Client acknowledges that as a result of this voting designation they are also designating the Discretionary Manager as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying AFI in writing via email or by phone and the Advisor will communicate this desire to vote future proxies to the Custodian.

Proxy information for all accounts is distributed by either the Custodian, transfer agent or specific fund family. Clients have the ability to personally elect to receive the documents electronically.

#### **ITEM 18 – FINANCIAL INFORMATION**

AFI and its Advisory Persons have never filed for bankruptcy and are not aware of any financial condition that is expected to affect its ability to manage Client accounts. AFI is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advanced fees of \$1,200 or more for services to be performed six months or more in the future.



# **Advisors Financial, Inc.**

## **Part 2B of Form ADV Brochure Supplement**

8391 Old Courthouse Road, Suite 205  
Vienna, VA 22182  
[www.advisorsfinancial.com](http://www.advisorsfinancial.com)

Joseph M. Van Name, CFP®, AIFA®

Updated: March 27, 2020

This Form ADV 2B (“Brochure Supplement”) provides information about Joseph M. Van Name (CRD# **4801308**). It supplements the information contained in the Advisors Financial, Inc. (“AFI” or the “Advisor”) Disclosure Brochure. Please contact AFI’s Chief Compliance Officer, Joseph M. Van Name, CFP®, AIFA® at 703-883-0300 if you have any questions about the Disclosure Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Additional information about Mr. Van Name and AFI is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or Individual CRD# 4801308



## JOSEPH M. VAN NAME'S BIOGRAPHICAL INFORMATION

### Educational Background and Business Experience

Joseph M. Van Name, CFP®, AIFA®, was born in 1968. He received a Bachelor of Arts degree from Washington College in 1990. Mr. Van Name received the CERTIFIED FINANCIAL PLANNER™ (CFP®) designation in 2006.

Mr. Van Name has served as AFI's President, Chief Executive Officer and Chief Compliance Officer since purchasing the firm from its previous owner in 2007. Prior to purchasing AFI, Mr. Van Name worked for its predecessor firm from 2001 to 2007. He also has served as a registered representative of Cadaret Grant & Co., Inc. from 2008 to 2012 and with Cetera Advisor Networks (and its predecessor Financial Network Investment Corporation) from 2012 to 2018.

### Professional Designation – Certified Financial Planner ("CFP®")

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- *Education* – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- *Experience* – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- *Ethics* – Agree to be bound by CFP® Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of*

*Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- *Ethics* – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### Professional Designation – Accredited Investment Fiduciary Analyst® (AIFA®)

The AIFA Designation certifies that the recipient has advanced knowledge of fiduciary standards of care, their application to the investment management process, and procedures for assessing conformance by third parties to fiduciary standards. To receive the AIFA Designation, the individual must hold the AIF Designation, meet prerequisite criteria based on a combination of education, relevant industry experience, auditing experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIFA Designation, the individual must annually attest to the Code of Ethics and Conduct Standards, and accrue and report a minimum of ten hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

#### Disciplinary Information

Mr. Van Name has not been involved in any legal or disciplinary events that would be material to a Client's evaluation of Mr. Van Name or of AFI.

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. Van Name.***

However, we do encourage you to independently view the background of Mr. Van Name on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his name or his CRD# 4801308.

#### Other Business Activities

Mr. Van Name does not have any additional business activities to disclose.

#### Additional Compensation

Mr. Van Name does not have any additional compensation to disclose.

### Supervision

As AFI's President and Chief Executive Officer, Mr. Van Name maintains ultimate responsibility for the company's operations. Mr. Van Name discusses investment decisions with the other Investment Committee members and staff as a whole. He directs operational decisions and also acts as Chief Compliance Officer. Mr. Van Name can be reached at 703-883-0300.

AFI has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of AFI. Further, AFI is subject to regulatory oversight by various agencies. These agencies require registration by AFI and its Supervised Persons. As a registered entity, AFI is subject to examinations by regulators, which may be announced or unannounced. AFI 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.

# **Advisors Financial, Inc.**

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Amy C. Hoffman, CFP®

Updated: March 27, 2020

This Form ADV 2B (“Brochure Supplement”) provides information about Amy C. Hoffman, CFP® (CRD# **2549737**). It supplements the information contained in the Advisors Financial, Inc. (“AFI” or the “Advisor”) Disclosure Brochure. Please contact AFI’s Chief Compliance Officer, Joseph M. Van Name, at 703-883-0300 if you have any questions about the Disclosure Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Additional information about Ms. Hoffman and AFI is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or Individual CRD# 2549737.

## AMY C. HOFFMAN'S BIOGRAPHICAL INFORMATION

### Educational Background and Business Experience

Amy C. Hoffman, CFP® was born in 1970. She received a Bachelor of Science degree in Finance from the University of Akron in 1994. Ms. Hoffman received the CERTIFIED FINANCIAL PLANNER™ (CFP®) designation in 2000.

Ms. Hoffman has served as AFI's Senior Vice President since 2007. From 1999 through 2007 Ms. Hoffman was a financial planner at AFI's predecessor firm Advisors Financial, Inc. Prior to her employment at Advisors Financial, Inc., Ms. Hoffman worked for Ernst & Young, LLP as a financial consultant, Sullivan, Bruyette, Speros and Blayney as a financial planning assistant, and The Jentner Financial Group as a financial planning analyst.

### Professional Designation – Certified Financial Planner ("CFP®")

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- *Education* – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- *Experience* – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- *Ethics* – Agree to be bound by CFP® Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- *Ethics* – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### Disciplinary Information

Ms. Hoffman has not been involved in any legal or disciplinary events that would be material to a Client's evaluation of Ms. Hoffman or of AFI.

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 Ms. Hoffman.***

However, we do encourage you to independently view the background of Ms. Hoffman on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her name or her CRD# **2549737**.

#### Other Business Activities

Ms. Hoffman is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from Ms. Hoffman's role with AFI. As an insurance professional, Ms. Hoffman may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Ms. Hoffman is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Ms. Hoffman or AFI.

#### Additional Compensation

Mrs. Hoffman has additional business activities that are detailed above.

#### Supervision

Ms. Hoffman's investment recommendations are supervised by AFI's President and Chief Compliance Officer, Joseph M. Van Name, CFP®, AIFA®. Mr. Van Name can be reached at 703-883-0300.

AFI has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of AFI. Further, AFI is subject to regulatory oversight by various agencies. These agencies require registration by AFI and its Supervised Persons. As a registered entity, AFI is subject to examinations by regulators, which may be announced or unannounced. AFI 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.

# **Advisors Financial, Inc.**

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Susan L. Warren, CFP®

Updated: March 27, 2020

This Form ADV 2B ("Brochure Supplement") provides information about Susan Warren, CFP® (CRD# **5578881**). It supplements the information contained in the Advisors Financial, Inc. ("AFI" or the "Advisor") Disclosure Brochure. Please contact AFI's Chief Compliance Officer, Joseph M. Van Name, at 703-883-0300 if you have any questions about the Disclosure Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Additional information about Ms. Warren and AFI is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or Individual CRD# 5578881.



## SUSAN L. WARREN'S BIOGRAPHICAL INFORMATION

### Educational Background and Business Experience

Susan Warren, CFP<sup>®</sup>, was born in 1961. She received a Bachelor of Arts degree from the University of Virginia in 1983. Ms. Warren received the CERTIFIED FINANCIAL PLANNER<sup>™</sup> (CFP<sup>®</sup>) designation in 2010.

Ms. Warren has worked at AFI since 2007. Previously she worked as a writer, editor, and project manager.

### Professional Designation – Certified Financial Planner ("CFP<sup>®</sup>")

The CERTIFIED FINANCIAL PLANNER<sup>™</sup>, CFP<sup>®</sup> and federally registered CFP<sup>®</sup> marks (collectively, the "CFP<sup>®</sup> marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP<sup>®</sup> certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP<sup>®</sup> certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP<sup>®</sup> certification in the United States.

To attain the right to use the CFP<sup>®</sup> marks, an individual must satisfactorily fulfill the following requirements:

- *Education* – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP<sup>®</sup> Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP<sup>®</sup> Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP<sup>®</sup> Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- *Experience* – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- *Ethics* – Agree to be bound by CFP<sup>®</sup> Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP<sup>®</sup> professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP<sup>®</sup> marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- *Ethics* – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### Disciplinary Information

Ms. Warren has not been involved in any legal or disciplinary events that would be material to a Client's evaluation of Ms. Warren or of AFI.

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 Ms. Warren.***

However, we do encourage you to independently view the background of Ms. Warren on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her name or her CRD# 5578881.

#### Other Business Activities

Ms. Warren does not have any additional business activities to disclose.

#### Additional Compensation

Ms. Warren does not have any additional compensation to disclose.

#### Supervision

Ms. Warren's investment recommendations are supervised by AFI's President and Chief Compliance Officer, Joseph M. Van Name, CFP®, AIFA®. Mr. Van Name can be reached at 703-883-0300.

AFI has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of AFI. Further, AFI is subject to regulatory oversight by various agencies. These agencies require registration by AFI and its Supervised Persons. As a registered entity, AFI is subject to examinations by regulators, which may be announced or unannounced. AFI 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.

# **Advisors Financial, Inc.**

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Steven A. Tomisek

Updated: March 27, 2020

This Form ADV 2B ("Brochure Supplement") provides information about Steven A. Tomisek (CRD# **5733717**). It supplements the information contained in the Advisors Financial, Inc. ("AFI" or the "Advisor") Disclosure Brochure. Please contact AFI's Chief Compliance Officer, Joseph M. Van Name, at 703-883-0300 if you have any questions about the Disclosure Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Additional information about Mr. Tomisek and AFI is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or Individual CRD# 5733717.

## STEVEN A. TOMISEK'S BIOGRAPHICAL INFORMATION

### Educational Background and Business Experience

Steven A. Tomisek was born in 1985. He received Bachelor's Degrees in Finance and Accounting from Radford University in 2008. Mr. Tomisek also attended Northern Virginia Community College, studying General Education from 2003 to 2004.

Mr. Tomisek serves as AFI's Chief Investment Officer since September 2015. From February 2010 through February 2015 Mr. Tomisek served as an Investment Manager at AFI. From February 2009 through February 2010 Mr. Tomisek was a Portfolio Administrator at AFI. Mr. Tomisek served as a Registered Representative with Cetera Advisor Networks LLC from 2013-2018. Prior to his employment at Advisors Financial, Inc., Mr. Tomisek worked for Financial Network as a Registered Representative, Cadaret, Grant & Co., Inc. as an Administrative Representative.

### Disciplinary Information

Mr. Tomisek has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Tomisek or of AFI.

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. Tomisek.***

However, we do encourage you to independently view the background of Mr. Tomisek on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his name or his CRD# 5733717.

### Other Business Activities

Mr. Tomisek does not have any additional business activities to disclose.

### Additional Compensation

Mr. Tomisek does not have any additional compensation to disclose.

### Supervision

Mr. Tomisek's investment recommendations are supervised by AFI's President and Chief Compliance Officer, Joseph M. Van Name, CFP®, AIFA®. Mr. Van Name can be reached at 703-883-0300.

AFI has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of AFI. Further, AFI is subject to regulatory oversight by various agencies. These agencies require registration by AFI and its Supervised Persons. As a registered entity, AFI is subject to examinations by regulators, which

may be announced or unannounced. AFI 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.

# **Advisors Financial, Inc.**

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[www.advisorsfinancial.com](http://www.advisorsfinancial.com)

Karen Monborne, CFP®

Updated: March 27, 2020

This Form ADV 2B ("Brochure Supplement") provides information about Karen Monborne, CFP® (CRD# **5976842**). It supplements the information contained in the Advisors Financial, Inc. ("AFI" or the "Advisor") Disclosure Brochure. Please contact AFI's Chief Compliance Officer, Joseph M. Van Name, at 703-883-0300 if you have any questions about the Disclosure Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Additional information about Ms. Monborne and AFI is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or Individual CRD# **5976842**.

## KAREN MONBORNE'S BIOGRAPHICAL INFORMATION

### Educational Background and Business Experience

Karen Monborne, CFP® was born in 1963. She received a Bachelor of Arts degree in Economics from Williams College in 1985. Ms. Monborne received the CERTIFIED FINANCIAL PLANNER™ (CFP®) designation in 2018.

Ms. Monborne has worked at AFI since 2011. Previously she worked as a health care policy analyst and research assistant.

### Professional Designation – Certified Financial Planner ("CFP®")

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- *Education* – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- *Experience* – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- *Ethics* – Agree to be bound by CFP® Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- *Ethics* – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### Disciplinary Information

Ms. Monborne has not been involved in any legal or disciplinary events that would be material to a Client's evaluation of Ms. Monborne or of AFI.

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 Ms. Monborne.***

However, we do encourage you to independently view the background of Ms. Monborne on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her name or her CRD# **5976842**.

#### Other Business Activities

Ms. Monborne does not have any additional business activities to disclose.

#### Additional Compensation

Ms. Monborne does not have any additional compensation to disclose.

#### Supervision

Ms. Monborne's investment recommendations are supervised by AFI's President and Chief Compliance Officer, Joseph M. Van Name, CFP®, AIFA®. Mr. Van Name can be reached at 703-883-0300.

AFI has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of AFI. Further, AFI is subject to regulatory oversight by various agencies. These agencies require registration by AFI and its Supervised Persons. As a registered entity, AFI is subject to examinations by regulators, which may be announced or unannounced. AFI 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.