

## Item 1      Cover Page

Part 2A of Form ADV

Firm Brochure

Maxim Financial Advisors LLC

405 Lexington Ave., 2nd Floor

New York, NY 10174

Phone: (212) 895-3500

Website: [www.maximgrp.com](http://www.maximgrp.com)

Date: March 24, 2021

This brochure provides information about the qualifications and business practices of Maxim Financial Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (212) 895-3500. 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 Maxim Financial Advisors LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Please note that registration as an investment advisory firm does not imply a certain level of skill or training.

## **Item 2      Material Changes**

We have made no material changes since our last annual amendment from March 2020.

## Item 3 Table of Contents

### Contents

Item 1	Cover Page .....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents .....	3
Item 4	Advisory Business.....	4
Item 5	Fees and Compensation.....	6
Item 6	Performance-Based Fees and Side-by-Side Management.....	7
Item 7	Types of Clients .....	8
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	8
Item 9	Disciplinary Information.....	9
Item 10	Other Financial Industry Activities and Affiliations.....	9
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	10
Item 12	Brokerage Practices.....	10
Item 13	Review of Accounts.....	11
Item 14	Client Referrals and Other Compensation .....	11
Item 15	Custody .....	11
Item 16	Investment Discretion.....	11
Item 17	Voting Client Securities .....	12
Item 18	Financial Information .....	12

## Item 4      **Advisory Business**

### *Advisory Business*

Maxim Financial Advisors LLC is a registered investment advisory firm offering investment supervisory services and referrals to third party managers. We provide our services on a discretionary and non-discretionary basis through the Investment Advisor Representatives licensed with our firm.

Depending on your needs, our Investment Advisor Representatives may choose to manage your money themselves or refer you to an unaffiliated third party for professional management.

We have been operating as an advisory firm since 2006.

Our firm is owned by Maxim Partners, LLC, which in turn is owned primarily by MJR Holdings, LLC. Michael Rabinowitz has a majority ownership in MJR Holdings, LLC.

### *Investment Supervisory Services*

Our Investment Advisor Representatives tailor advice to your needs based on conversations with you. When opening an account, we will collect information about your net worth, investment objectives, and more. You will be asked to confirm this information. We will use this information to open an account with our affiliate, Maxim Group LLC. This information will be used in our discussions when choosing the investments for your account.

Through a relationship with Crystal Capital Partners, LLC ("Crystal") we may provide our qualified clients with customized hedge fund portfolios. Crystal specializes in building customized hedge fund portfolios that help complement the existing holdings of client investments. With Crystal's services, we will have access to top tier hedge fund managers, detailed analytics, reporting and comprehensive due diligence previously only available to the largest institutions. Most customized accounts will be invested with investment managers or investment funds through a series fund organized by Crystal. The investment managers and investment funds that we recommend will be selected from a list that has been developed by Crystal, based on its quantitative and qualitative research of the managers and funds. After a client approves the customized portfolio that we recommend, the client will invest in a series or portfolio of Crystal Capital Fund Series, LLC (the "Crystal Fund"), that is managed by Crystal. The Crystal Fund is a private investment fund that has several segregated portfolios. Each portfolio is a separate pool of assets constituting a separate fund with its own investment objectives and policies.

Our Investment Advisor Representatives use their own investment style and philosophy and each potential client is required to discuss these matters before opening an account.

We offer our services as a wrap-fee program and as a non-wrap fee program. In a wrap-fee program, you pay one fee for both custodial and advisory services. For a non-wrap fee program, these payments are separate. We receive a portion of the wrap fee. There is no difference between how we manage wrap fee accounts and non-wrap fee accounts. The service may cost you more or less than purchasing such services separately. The cost difference depends on the amount of trading in your account.

We receive a portion of the wrap fee and the Investment Advisor Representative will also receive a portion of the fee. It may be more or less compensation than we would have received if you participated in other programs. You are advised that there exists an incentive to recommend the wrap fee program in lieu of other programs due to this compensation.

As of December 31, 2020, our discretionary assets under management were \$151,419,877. Our non-discretionary assets under management were \$144,741,894.

### *Accounts with Envestnet*

We have an agreement with Envestnet, an investment management firm that provides investment management and investment advisory services through independent investment advisors, such as Maxim Financial Advisors, LLC. Through Envestnet, our Investment Advisor Representatives can allocate your assets among the different options in the Program and determine the suitability of the asset allocation and investment options for you, based on your needs, objectives, time horizon, risk tolerance, and other factors. Envestnet's research team uses a number of proprietary analytical tools and commercially available optimization software applications in developing its asset allocation strategies. More information is available in Envestnet's Disclosure Brochure, which is provided to clients choosing their programs. You should read this information carefully.

Should you choose to select the SMA program, you are offered access to an actively managed investment portfolio chosen from a roster of independent asset managers (each a Sub-Manager") from a variety of disciplines. Unlike a mutual fund, where the funds are commingled, a separately managed account is a portfolio of individually owned securities tailored to fit your investing preferences. Envestnet retains the Sub-Managers for portfolio management services in connection with the SMA program through separate agreements entered into between Envestnet and the Sub-Manager on terms and conditions that Envestnet deems appropriate. In each case, the Sub-Manager is acting as a Model Provider. A Model Provider constructs an asset allocation and selects the underlying investments for each portfolio, which creates a "Third Party Model." Envestnet performs overlay management of the Third Party Models by implementing trade orders, periodically updating and rebalancing each Third Party Model pursuant to the direction of the Model Provider. More information is available in Envestnet's Disclosure Brochure, which is provided to clients choosing their programs. You should read this information carefully.

Clients may also invest using the UMA Programs offered through Envestnet. In these programs, clients are offered a single portfolio that accesses multiple asset managers and mutual funds, representing various asset classes, that is customized by your Investment Advisor Representative. Using the Envestnet tools, the Investment Advisor Representative customizes the asset allocation models for you or selects Envestnet's proposed asset allocations for types of investors fitting your profile and investment goal. The Investment Advisor Representative then further customizes the portfolio by selecting the specific, underlying investment strategies or Funds in the portfolio to meet your needs. Once the Investment Advisor Representative has established the content of the portfolio, Envestnet provides overlay management services for UMA accounts and implements trade orders based on the directions of the investment strategies contained in the UMA portfolio.

### ***External Managers***

We have agreements with external third-party managers offering a wide range of advisory services including asset allocation, market timing and portfolio management. Our Investment Advisor Representatives will refer you to these managers when it is appropriate, based on your risk tolerance and objectives. We will not refer you to a money manager unless the money manager is registered or exempt from registration as an investment advisor in your state of residence. You may select a recommended money manager based on your needs. These relationships may be conducted through solicitor relationships or through a subadvisory relationships.

We are available to meet with you on a continual basis.

## **Item 5      Fees and Compensation**

### ***Fees for Investment Supervisory Services***

Advisory accounts serviced by Investment Advisor Representatives are charged at the beginning of each calendar quarter in advance based on the assets as of the close of the business on the last business day of the prior calendar quarter or on the average daily balance of the account for the prior quarter. Fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a calendar quarter.

At our discretion, we make adjustments to your fee based on significant inflows and outflows.

Wrap Accounts serviced by Investment Advisor Representatives are charged an asset management fee in lieu of commissions. The fees are negotiated at the time the client signs the contract and range from 10 basis points to 250 basis points ("bps"). For additional disclosure regarding the Wrap Program, please refer to the Maxim Financial Advisors Wrap Program Brochure.

Our qualified clients who invest in customized hedge fund portfolios structured by Crystal Capital Partners, LLC, will compensate Crystal Capital Partners, LLC, the manager of each hedge fund, and us. Our fee will range up to an annual fee of 1.5%. Crystal Capital Partners, LLC will also charge an annual fee of up to 1.5%. The underlying managers' fees will vary. These fees are disclosed to investors in this product through the offering documents and agreements signed at the time the account is opened. Our advisory fee for these assets are collected by Crystal Capital Partners, LLC.

Fees charged to advisory clients vary by account and are negotiated between the client and the advisor.

Unearned prepaid management fees are refunded pro-rata on terminated accounts.

### ***Fees for Lockwood Advisors, Inc. Accounts***

For accounts with Lockwood Advisors, Inc., we are compensated by a separate Consultant fee, with a minimum annual fee of .10% and a maximum fee of 1.45%, in addition to the fee charged by Lockwood for these services. In the account opening process, you and the Advisory Representative will agree to this separate fee as well as the advisory fees charged by Lockwood. Both the advisory fees and the Consultant fee are collected by Pershing LLC. The Consultant fee is then paid by Pershing LLC to us. The fees involved in these programs are described in the disclosure brochures of Lockwood.

### ***Fees for Envestnet Accounts***

Full details about the fee schedule for Envestnet's Programs and the fee calculations are available in Envestnet's Disclosure Brochure, which you will receive at the time you open your account. Clients in these programs pay a program fee to Envestnet. A portion of that program fee will be paid to or retained by Maxim Financial Advisors, LLC. You may also pay reasonable ticket charges for the transactions in your accounts.

### ***Fees for Referrals to Third Party Managers***

You should be aware that in a solicitor relationship, we will receive a solicitor fee, or referral fee paid by the recommended Manager for the referral. The disclosure brochures of the Third Party Managers describe these fees. In a subadvisory relationship, we will collect and retain a portion of the advisory fee but will remit a portion to the subadvisory manager as compensation for providing advice on your account.

### ***Potential Conflicts of Interest***

Because our Investment Advisor Representatives are also Registered Representatives of our affiliate, Maxim Group LLC, they may have a conflict of interest in that they have a financial incentive to recommend additional products and services to you. Please review Item 10 of this document for more information about this conflict of interest.

### ***Other Information about Advisory Fees***

Our advisory fees are negotiable, at our discretion.

In addition to the advisory fee listed above, there may be an annual platform fee per account charged by the custodian. This fee will be billed along with any transaction costs associated with the purchase and sale of securities in the account, and any charges or expenses resulting from maintenance of the account. These fees are subject to change as dictated by the custodian. Maxim Group LLC, an affiliate of Maxim Financial Advisers, may charge a fee directly to you or share in a percentage of the fees collected by Pershing, LLC, custodian of your assets. For more information about these additional fees, you should consult your Customer Agreement signed at the time your account was opened, or the annual disclosure provided to you on your June calendar quarter-end account statement about fees which can be incurred. The participation rates by Maxim group of such fees varies by type of fee.

Mutual funds and exchange traded funds have operating expenses which include a fee paid to an investment manager or management team. Accounts holding mutual funds or exchange traded funds incur such fees, although these fees are internal to the operation of mutual funds and are not separately billed to the client.

### ***Termination***

Either of us can terminate our agreement for any reason, by giving written notice to the other party. Notice given by the client is effective upon receipt by the firm.

You have the right to terminate our services within five days of signing the client agreement. If you do so, you will receive a refund of all pre-paid fees.

In the event of termination, the regular management fee is refunded pro-rata from the date of termination to the date to which service has been prepaid.

**Death, Disability, or Divorce** - If a Client is an individual, the Client's death, disability or incompetency will not automatically terminate or change the terms of this Agreement. However, the Client's executor, guardian or attorney-in-fact may terminate this Agreement by giving written notice to Maxim Financial Advisers. In the event that Client is a joint Account, both Account holders agree that if the Account ever becomes the subject of a dispute between Account holders, and Maxim Financial Advisers becomes aware of the dispute, Maxim Financial Advisers may refuse to disburse or allow for the termination of this Agreement without the consent of both joint Account holders. Further, both Account holders agree that in the event that one Account holder provides instructions to Maxim Financial Advisers, even if the instructions are to terminate the Agreement and disburse all funds from the Account to one of the Account holders, Maxim Financial Advisers may do so without the permission of the other Account holder and will have no liability to either Account holder.

## **Item 6      Performance-Based Fees and Side-by-Side Management**

We do not accept performance-based fees.

## Item 7      Types of Clients

We provide investment advice to Individuals, Trusts, Estates, Corporations, Retirement Accounts, and other business entities.

We have no minimum account size. The third party managers to which we refer your accounts may have minimum account sizes. These account requirements are described more fully in the third party managers' disclosure documents.

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

Our Investment Advisor Representatives manage money using a combination of Mutual Funds (active and passively managed), Exchange Traded Funds (ETFs), individual stocks, bonds and other securities. Maxim Financial Advisors uses third-party service providers as a source of information, which includes Web-enabled information, analysis and research services.

Our Investment Advisor Representatives regularly reallocate actively managed portfolios to adapt to changing market environments.

We may use the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present financial statement data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

We use the following investment strategies when implementing advice:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

Investing in securities involve risk of loss that you should be prepared to bear. There are no guarantees that the advice we give you will be profitable. You may lose all of your money.

Our investment methodology involves risks. The primary risks you should consider are market risk, company risk and sector risk. These primary risks are described below.

Market risk is the risk that your investments will be worth less than when you originally invested. Markets fluctuate, causing the value of your investments to fluctuate.

Company risk is the risk that a specific company we recommend fails to perform as expected, causing a portion of your investment to be worth less than originally invested or nothing at all.

Investing in Hedge Funds carries special risks, including, but not limited to the risk of investing in unregistered securities, a lack of liquidity, adverse tax consequences, or risky investment strategies.

Another area of risk is the focus of your assets in securities of a particular sector. Sector risk is the possibility that securities within the same group of industries will decline in price due to sector-specific market or economic developments. If you are invested more heavily in a particular sector, the value of your investments may be especially sensitive to factors and economic risks that specifically affect that sector. Certain sectors are subject to greater government regulation and changes in regulatory policies for those sectors may have a material effect on the value of securities issued by companies in those sectors.

## **Item 9      Disciplinary Information**

Neither the Firm nor any of our management persons have been involved in any event that is material to a client's or prospective client's evaluation of the Firm or the integrity of its management. Some of our Investment Advisor Representatives have material disciplinary events that should be considered by a client or prospective client. Details about these events are contained in the individual representative's brochure supplements.

## **Item 10      Other Financial Industry Activities and Affiliations**

We have two affiliates, Maxim Group LLC and M Vest LLC, which are registered broker/dealers. Most of our executive officers are also executive officers of Maxim Group LLC and M Vest LLC. Our Investment Advisor Representatives are also Registered Representatives of Maxim Group LLC. As a broker/dealer, Maxim Group offers equities, options, preferred stocks, corporate bonds, government bonds, municipal bonds, CDs, direct participation programs, open and closed end mutual funds, ETFs, UITs, and other investments. M Vest LLC's activities are more limited in scope and although the firms have shared officers and are under common control, the Investment Advisor Representatives of Maxim Financial Advisors LLC do not provide services through M Vest LLC.

Our Investment Advisor Representatives are Registered Representatives of Maxim Group LLC. In this capacity, they may sell securities for sales commissions as Registered Representatives. Some of our advice may involve investments in mutual funds that pay 12b-1 trail fees. Neither we nor our Investment Advisor Representatives receive 12b-1 fees.

Our Investment Advisor Representatives expect to receive up to 90% of their income from their activities as Registered Representatives.

We address these conflicts by doing the following:

We must disclose any potential or actual conflicts of interest when dealing with clients.

We are subject to the following specific obligations when dealing with clients:

- The duty to have a reasonable, independent basis when providing investment advice;
- The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs, and circumstances; and,
- A duty to be loyal to clients.

Clients always have the option of purchasing recommended investment and insurance products through other broker-dealers.

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

Associated persons may buy or sell for their own accounts the same securities recommended to you. The Firm seeks to ensure that our associated persons do not personally benefit from the short-term market effects of their recommendations to you and we monitor their personal trading.

Our associated persons are also Registered Representatives of Maxim Group LLC, and may sell you securities in addition to providing you with advice. When they do so, they may earn a commission. This creates a conflict of interest in that they may have an incentive to recommend a product to you for compensation in lieu of providing you with unbiased advice. We monitor our associated persons' activities and hold them to high standards.

Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Advisor does not deem appropriate to buy or sell for clients.

In addition to the above, Investment Advisor Representatives may affect transactions for your accounts in selected primary or secondary offerings. While there are no brokerage commissions or fees associated with such trades, Investment Advisor Representatives are paid directly by the issuer of such securities in the form of a sales concession, the amount and size of which will vary. We will not affect any principal or agency cross transactions for the client except as may be permitted by Section 206(3) of the Investment Advisers Act of 1940 and the Rules thereunder.

We have adopted a Code of Ethics to instruct our personnel in their ethical obligations and to provide rules for their personal securities transactions. The Firm and our personnel owe a duty of loyalty, fairness and good faith to their clients, and the obligation to adhere not only to the specific provisions of the code but also to the general principles that guide the Code. The Code covers a range of topics including general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. We will provide a copy of the Code to any client or prospective Client upon request.

## **Item 12 Brokerage Practices**

We generally recommend our affiliated broker/dealer, Maxim Group to clients for brokerage services. When using Maxim Group as broker, the Investment Advisor Representatives with commission-based advisory accounts may receive commissions each time they generate a transaction for you.

We may recommend other brokers and dealers. When using other brokers, we take into account our obligation of best execution and the research services provided by the other brokers to us that may enhance the general portfolio management capabilities, notwithstanding that you may not be the direct or exclusive beneficiary of all such service.

Security transactions are governed by a best execution policy where Maxim Group is obligated to provide the client with the best available price at the time of the transaction.

Maxim Group makes available research resources, including but not limited to, proprietary research, third party research, and other research tools (such as Thomson One, Bloomberg, etc.) to our Investment Advisor Representatives as well as to all of its Registered Representatives. However, because all Investment Advisor Representatives of Maxim Financial Advisors are also Registered Representatives of Maxim Group, the value of the availability of the aforementioned research resources is not a factor we consider in selecting its affiliated broker/dealer, Maxim Group, and determining the reasonableness of its commissions.

We do not negotiate commissions on your behalf. Other brokers and investment advisers may be willing to provide brokerage services and investment advisory services to the client that either separately or together could cost you less than the advisory fees and/or brokerage commissions we charge. Our partners and employees, including those involved in the management of accounts may share in the fees and commissions. Fees are negotiated between you and the Investment Advisor Representatives and are disclosed in the investment advisory agreement.

### ***Additional Compensation***

Through Maxim Group, we offer you the opportunity to “sweep” your free credit balances into one or more money market mutual funds managed by Federated Management. Maxim Group receives an interest sharing fee from Federated Management based upon the gross dollar amount invested by Maxim Financial Advisors' clients and Maxim Group's clients. This amount ranges from 0.0% to 0.5% and is paid monthly.

Mutual funds may charge 12b-1 fees, sales loads or contingent deferred sales charges. These charges would be in addition to any asset-based fee charged to an account. These fees are not paid to Maxim Group, nor our Investment advisor Representatives. A complete description of all fees and expenses are contained in the relevant prospectuses.

## **Item 13      Review of Accounts**

Investment Advisor Representatives and their Branch Office Managers and/or Assistant Branch Office Managers review your accounts on a regular basis. The Branch Office Managers and/or Assistant Branch Office Managers review all advisory account activity at least monthly.

Brokerage activity in our accounts is also reviewed by Maxim Group, our affiliate. Some things that Maxim Group's associates review are size of commissions charged, suitability, activity level and the size of trades.

More frequent reviews may be triggered by material changes in your circumstances or because of changes in the political, market, or economic environment.

The Investment Advisor Representatives may consult with our compliance department as necessary.

Clients receive a statement, no less than quarterly, from the custodian of their assets. We provide no additional reports.

## **Item 14      Client Referrals and Other Compensation**

We do not pay anyone for client referrals for our accounts.

## **Item 15      Custody**

We have custody of your assets because our affiliate, Maxim Group LLC, is a broker/dealer with custody of your assets. We also have custody because we have the ability to withdraw fees directly from your accounts.

The custodian where your account is held, typically Pershing, LLC, will send you statements. You should carefully review those statements.

## **Item 16      Investment Discretion**

We may request that you give us discretionary authority by signing our investment advisory agreement. This means that our Investment Advisor Representatives may buy or sell securities and specify the amount of securities to invest without obtaining your consent. This discretionary authority does not restrict you from establishing special limitations on the types of investments purchased in your account.

## **Item 17     Voting Client Securities**

We do not vote proxies on your behalf. You retain that right unless you make other arrangements with the custodian of your assets. You will receive proxies or other solicitations directly from the custodian of your assets. You may contact us with questions about proxies.

## **Item 18     Financial Information**

We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you.