

**A.G. Morgan Financial Advisors, LLC**  
5260 Merrick Road, First Floor  
Massapequa, NY 11758  
(516) 798-1100  
[www.agmorgan.net](http://www.agmorgan.net)

**A.G. Morgan Financial Advisors, LLC**  
**WRAP FEE PROGRAM BROCHURE**

March 31, 2021

**This wrap fee program brochure provides information about the qualifications and business practices of A.G. Morgan Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (516) 798-1100 or email [clientservices@agmorgan.net](mailto:clientservices@agmorgan.net). 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. Registration with the Securities and Exchange Commission does not imply any particular level of skill or training.**

**Additional information about A.G. Morgan Financial Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Material Changes**

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This is a new wrap fee program brochure for A.G. Morgan Financial Advisors, LLC and, as a result, does not include information on material changes to A.G. Morgan Financial Advisors, LLC's policies, practices, or conflicts of interest.

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## **Services, Fees and Compensation**

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A.G. Morgan Financial Advisors, LLC (“A.G. Morgan”) provides financial planning and discretionary and non-discretionary investment advisory services to individuals, corporations, pension and profit plans, trusts, charitable organizations, and other business entities in accordance with the investment objective(s) of the client(s). A.G. Morgan also provides consulting and financial planning services for a fixed or hourly fee. These services are described in a separate brochure, a copy of which is available upon request.

### A.G. Morgan Strategic Asset Allocation Models

A.G. Morgan does not employ overlay managers for the management of its models. Its key decision points on the positions selected are based on several criteria, including performance, manager tenure, tax efficiency, risk and up and down-market capture. Asset allocation decisions, investment selection, buy/sell disciplines, performance and screening methodology are reviewed in entirety at the beginning of each quarter. Decisions are made to determine the macro investment philosophy for the allocation models and risk tolerances that correspond to the allocation market benchmarks, as well as make any required strategic or tactical changes. Mutual fund, ETF or individual equity positions that fail to meet A.G. Morgan’s screening process are removed and replaced. Additionally, mutual fund positions that show an increase in standard deviation and beta are further examined to ensure that the holdings are consistent with the mutual fund’s prospectus.

A.G. Morgan has developed five model portfolios that it manages on a discretionary basis which include:

- Preferred Stock Portfolio
- Conservative Portfolio
- Moderate Portfolio
- Growth Stock Portfolio
- Common Stock Portfolio

Asset classes that can be used in the models are Domestic and Foreign Equities in all market cap disciplines including sovereign, corporate and high yield debt of both domestic and foreign issuers. A.G. Morgan also employs alternative asset classes that may include specific sectors, real estate, natural resources, private placements and hedged positions.

Within these portfolios, A.G. Morgan trades/adjusts client accounts based on the economic environment, interest rates and business forecast.

### Other Assets

With respect to that portion of a client’s account that is not invested in accordance with the above models, A.G. Morgan manages those assets in accordance with the client’s financial needs, goals and risk tolerance.

### Fees

A.G. Morgan charges an annual fee, payable monthly in advance, based on the account value as of the last business day of the immediately preceding calendar month. The management fee depends upon the

specific type of investment services rendered and upon the market value of assets under management and in certain cases may be negotiable. The maximum annual rate charged per value of a client's account(s) is 3.50%.

TD Ameritrade deducts fees from the client's assets and remits A.G. Morgan's fees to A.G. Morgan. A.G. Morgan's management fee covers the investment advisory services of A.G. Morgan, as well as charges for execution of transactions, custody of account assets and account reporting. Clients may pay more or less for these services than if they were purchased separately. Factors that bear upon the cost of the program in relation to the cost of the same services purchased separately include, among other things, the type and size of the account and the historical and/or expected size or number of transactions in the account. This fee does not cover certain charges assessed by the custodian and brokerage firm from time to time.

With respect to mutual funds or other pooled investment products held in a client's account, fees payable to A.G. Morgan are in addition to expenses and ordinary fees borne by these holdings, including sales charges, transaction fees and redemption or surrender fees. A.G. Morgan's fees could be avoided if the client invested directly in mutual funds and other pooled products.

Investment adviser representatives of A.G. Morgan who recommend the program to a client receive compensation as a result of the client's participation in the program. The amount of this compensation may be more than what the investment adviser representative would receive if the client participated in other programs of A.G. Morgan or paid separately for investment advice, brokerage and other services. Accordingly, in many cases, the investment adviser representative may have a financial incentive to recommend the Program over other A.G. Morgan programs or services.

Investment adviser representatives of A.G. Morgan who are also registered representatives of Traderfield Securities ("TFS"), an unaffiliated registered broker-dealer, may receive commissions on sales of annuity products in their individual capacities as registered representatives of TFS. These commissions are from the sale of the annuity product and are separate from A.G. Morgan's advisory fee that may be charged for the ongoing portfolio allocation strategies and oversight. This practice presents a conflict of interest and gives the A.G. Morgan/TFS representative an incentive to recommend investment products based on the compensation they receive rather than the client's needs. To address this conflict, for clients of A.G. Morgan with respect to which a A.G. Morgan investment adviser representative receives commissions on the sale of an annuity product as a registered representative of TFS, the advisory fee charged to the account will be reduced by the amount received by the investment adviser representative for selling the annuity product.

A.G. Morgan may invest client assets in alternative investments, including private securities offerings and private investment funds. Officers or employees of A.G. Morgan receives compensation such as brokerage commissions and additional spread for the sale of these alternative investments. Further there are proprietary funds that A.G. Morgan may offer to clients. This practice presents a conflict of interest and gives A.G. Morgan employees an incentive to recommend investment products based on the compensation received, rather than on a client's needs. The companies issuing these alternative investments may be affiliated with officers or employees of A.G. Morgan, officers or employees of A.G. Morgan may also invest in these alternative investments, and these alternative investments will be illiquid for the duration of your investment, which means that for the duration of the investment you will not be able to sell or transfer the investment or there may be restrictions on your ability to sell or transfer the investment.

## **Account Requirements and Types of Clients**

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A.G. Morgan provides financial planning and investment advisory services to individuals, corporations, pension and profit plans, trusts, charitable organizations, and other business entities.

A.G. Morgan requires a minimum account size of \$25,000.00, which may be waived at the discretion of the company.

## **Portfolio Manager Selection and Evaluation**

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Investment adviser representatives of A.G. Morgan are selected to act as portfolio managers, based on a number of factors, including overall level of experience and the successful completion of appropriate regulatory examinations. In addition, each prospective portfolio manager must be approved by the President of A.G. Morgan before he or she may be designated as a portfolio manager. Each account is periodically reviewed by A.G. Morgan's principals and associates and changes to portfolios are allocated accordingly.

A.G. Morgan (defined and described below under "Additional Information – Other Financial Industry Activities and Affiliations"), uses Albridge's performance reporting system to calculate portfolio performance.

## ***Advisory Business***

A.G. Morgan provides financial planning and discretionary and non-discretionary investment advisory services to individuals, corporations, pension and profit plans, trusts, charitable organizations, and other business entities in accordance with the investment objective(s) and financial needs of the client(s). Clients may restrict or prohibit purchases of certain securities or certain types of securities for their accounts. In addition, to the extent specifically requested by a client, A.G. Morgan may provide financial planning services to its investment management clients on investment and non-investment-related matters.

**Third Party Wrap Fee Programs.** A.G. Morgan may participate in wrap fee programs sponsored by third party managers, by providing management services. There are no differences between how A.G. Morgan manages wrap fee accounts and how A.G. Morgan manages other accounts. A.G. Morgan receives a portion of the wrap fee the third-party manager charges for the portfolio management services.

A.G. Morgan provides to the third-party manager's wrap fee accounts. Currently A.G. Morgan does not participate in any third-party wrap fee programs.

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

A.G. Morgan does not charge performance-based fees.

## ***Methods of Analysis, Investment Strategies and Risk of Loss***

The methods of analysis and investment strategies A.G. Morgan uses in formulating investment advice are described above in the description of A.G. Morgan's five model portfolios under "Services, Fees and Compensation."

Investing in securities involves risk of loss, loss of principal that clients should be prepared to bear.

## ***Voting Client Securities***

A.G. Morgan does not have authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact A.G. Morgan with questions about a particular solicitation; however, A.G. Morgan will not advise clients regarding how they should vote.

## **Client Information Provided to Portfolio Managers**

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With their portfolio managers, clients complete a risk tolerance questionnaire and develop investment objectives and asset allocation policies for their accounts. Clients may restrict or prohibit their portfolio managers from purchasing certain types of securities. Clients provide updated information to A.G. Morgan in connection with A.G. Morgan's annual review of client accounts.

## **Client Contact with Portfolio Managers**

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Clients may contact and consult with their portfolio managers during A.G. Morgan's regular business hours.

## **Additional Information**

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### ***Disciplinary Information***

There are no administrative, civil, or criminal actions pending against A.G. Morgan or any of its management personnel.

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

Vincent J. Camarda and James E. McArthur, officers of A.G. Morgan, as well as other employees and/or investment adviser representatives of A.G. Morgan, in their individual capacities, are registered representatives of an unaffiliated registered broker-dealer, IBN Financial Services (IBN). As a result, they are licensed to effect securities transactions on a fully disclosed commission basis and may receive initial and/or annual commissions on sales of certain annuities. The fees that these individuals may receive for providing brokerage services are separate and apart from any fees that A.G. Morgan may receive for the financial planning and investment advisory services it provides, which are discussed in "Fees and Compensation" above.

Mr. Camarda and Mr. McArthur, as well as other employees and/or investment adviser representatives of A.G. Morgan, in their individual capacities, are licensed insurance agents, and are licensed to sell a wide range of insurance products. The fees that these individuals may receive for providing insurance services are separate and apart from any fees that A.G. Morgan may receive for the investment services it provides, which are discussed in "Fees and Compensation" above.

A.G. Morgan may receive from IBN with or without cost (and/or at a discount) support services and/or products, certain of which assist A.G. Morgan to better monitor and service client accounts. At this time A.G. Morgan does not receive investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by A.G. Morgan in furtherance of its investment advisory

business operations.

Certain of the support services and/or products that A.G. Morgan may receive from IBN may assist A.G. Morgan in managing and administering client accounts. Other services or products may not directly provide client account assistance, but rather may assist A.G. Morgan to manage and further develop its business enterprise. A.G. Morgan may use these services and other support in servicing any or all of its clients to different degrees and levels. A.G. Morgan receives substantial benefit from IBN since the support IBN provides may relieve A.G. Morgan from having to maintain its own computer software and other back-office and recordkeeping systems.

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

A.G. Morgan has adopted a code of ethics as required by Rule 204A-1 under the Investment Advisers Act of 1940. A.G. Morgan's code of ethics ("the code") sets forth certain standards of business conduct that govern the personal investment activities of employees and officers of A.G. Morgan, including the standard that the interests of advisory clients must be placed first at all times. The code of ethics requires access persons of

A.G. Morgan to report their personal securities transactions to A.G. Morgan on a quarterly basis and their securities holdings upon commencement of employment (or upon becoming an access person) and annually thereafter. Access persons also must obtain approval from A.G. Morgan's chief compliance officer before they acquire any ownership interest in any security in an initial public offering or limited offering. The code applies not only to transactions by the individual, but also to transactions for accounts in which the person has an interest individually, jointly or as guardian, executor or trustee, or in which the person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the code is a condition of employment. The code requires all employees and officers of A.G. Morgan to comply with applicable federal securities laws and to promptly report any violation of the code to the chief compliance officer. Clients may obtain a copy of A.G. Morgan's code of ethics from A.G. Morgan upon request.

The firm's officers and employees may invest in securities that are recommended for purchase or sale by clients. The firm's officers and employees face a conflict of interest when they buy or sell securities at or about the same time that A.G. Morgan buys or sells the same securities for client accounts or recommends that clients buy or sell the same securities, because the firm's officers or employees could take advantage of the information regarding the client transactions and execute their trades prior to the clients (commonly called "front running"). However, A.G. Morgan's code of ethics prohibits access persons from buying or selling a security on a day during which a client has a pending buy or sell order in that security until the client's order is executed or withdrawn.

### ***Review of Accounts***

A.G. Morgan's principals and associates conduct periodic account reviews throughout the year for continued suitability and to assure that accounts contain the correct investment options based on need, risk tolerance, changes in status, or market activity. A.G. Morgan performs client reviews at least annually, which includes a rolling 12-month written performance report and portfolio appraisal. The investment adviser representative and/or Compliance Officer is responsible for ensuring that such reviews and contacts are made.

Clients should advise A.G. Morgan of any changes in their investment objectives and/or financial or life situation. All clients, in person or via telephone, should review their financial planning issues, investment objectives and account performance with A.G. Morgan on an annual basis, as applicable.

The broker-dealer/custodian for client accounts provides clients with statements on at least a quarterly basis and confirmation notices as transactions are executed.

### ***Client Referrals and Other Compensation***

A.G. Morgan may receive discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support and/or other products used by A.G. Morgan in furtherance of its investment advisory business from certain distributors and/or wholesalers. These arrangements may present a conflict of interest for A.G. Morgan since it has an economic incentive to do business with these distributors or wholesalers. However, since A.G. Morgan's advisory services are provided in accordance with its screening process in choosing investments for its models, these distributors or wholesalers are not favored over other distributors, wholesalers or product sponsors.

A.G. Morgan enters into agreements providing cash compensation to firms or persons who refer clients to A.G. Morgan. The terms of the agreements differ somewhat depending upon the circumstances, but generally provide for compensation equal to a specified percentage of the fees received by A.G. Morgan from the clients referred, or for fixed compensation, payable quarterly. A.G. Morgan's fees include the fees paid to the solicitor. The solicitor discloses these fees in the disclosure statement provided to clients so that the client does not pay fees higher than A.G. Morgan's normal/typical advisory fees.

### ***Financial Information***

A.G. Morgan does not believe there is any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.