



Part 2A of Form ADV: *Firm Brochure*

American Financial Advisors, LLC

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This brochure provides information about the qualifications and business practices of American Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 770 977-2434 or 888-413-9080 or awilliams@afainvestments.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about American Financial Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 115824.

Item 2 Material Changes

This Firm Brochure, dated 03/30/2018, provides you with a summary of American Financial Advisors, LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this item.
2. Material Changes: Should a material change in our operations occur, depending on its nature, we will promptly communicate this change to clients (and it will be summarized in this item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 03/30/2017:

Added John Kevin Grady as Member
Added Financial Planning Fees

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Item 4 Advisory Business

American Financial Advisors, LLC is a SEC-registered investment adviser with its principal place of business located in Georgia. American Financial Advisors, LLC began conducting business in 2000. Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Michael David Stark, Chief Executive Officer, Managing Member, Owner
- Patrick Francis Viglotti, Member, Owner

American Financial Advisors, LLC offers the following advisory services to our clients:

Investment Supervisory Services (ISS); Individual Portfolio Management; and Model Portfolio Management

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's outlook and create and manage a portfolio based on that outlook. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background. We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities

Our firm provides portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

AFA has 4 target models set up for its clients. They are Aggressive, Moderate, Conservative and Ultra Conservative. AFA's Aggressive model is made up of approximately 75% Equities and 25%

Fixed Income. The Moderate model is made up of approximately 60% Equities and 40% Fixed Income. The Conservative model is made up of approximately 50% Equities and 50% Fixed Income. The Ultra Conservative model is made up of approximately 40% Equities and 60% Fixed Income. This allocation can change and is an approximation.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. request any updated information regarding changes in the client's financial situation and investment objectives; and
2. available to consult with the client at any given time.

FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients pursuing this service receive a written report which provides the client with a detailed financial plan designed to assist the client in achieving his or her financial goals.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income. We refer them to appropriate experts when necessary.
- **ESTATE:** We refer clients to attorneys and/or other professionals to help them assess and develop long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan is presented to the client within three to six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature and no commissions or referral fees are received by AFA or its employees.

AMOUNT OF MANAGED ASSETS

As of 12/31/2017, we were actively managing \$645,571,002 of clients' assets on a discretionary basis plus \$0.00 of clients' assets on a non-discretionary basis.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT FEES

The fees for Investment Supervisory Services are charged as a percentage of assets under management, according to the following schedule:

AFA's two main fee structures are as follows:

Portfolio and Investment Management fees will be based on the value of those assets under management on a quarterly basis in arrears. The minimum fee is \$300 per year for assets under management of less than \$30,000.

Standard Fee Schedule

<u>Portfolio Value</u>	<u>Quarterly Fees as a % of Assets Under Mgt</u>
First \$500,000	0.25%
From \$500,000.01 to \$ 5,000,000	0.125%
From \$5,000,000.01 to \$10,000,000	0.09%
Over \$10,000,000	Negotiable

Standard minimum annualized fee is \$300.00

A minimum of **\$100,000.00** of assets under management is required for this service. This account size may be negotiable under certain circumstances. American Financial Advisors, LLC, may household certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Fees are generally deducted automatically from client's brokerage accounts, but clients may request that AFA, LLC send them invoices to be paid by check or credit card.

Special Employee Directed Retirement Assets fee is a flat rate based on a sliding scale:

<u>Portfolio Value</u>	<u>Annual Fee</u>
Up to \$100,000	\$100
\$100,000.01 - \$500,000	\$200
\$500,000.01 and above	\$300

Fees for these accounts are invoiced to be paid by check or credit card.

Limited Negotiability of Advisory Fees: Although American Financial Advisors, LLC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm or charitable organizations. Additionally some clients may have different fee schedules that have been grandfathered in based on the contract date with American Financial Advisors, LLC.

FINANCIAL PLANNING FEES

Our typical financial plan costs \$1,500 for the consultation and plan review. That is billed hourly at \$150/hour. We will offer this service at a 50% discount, or \$75/hour to 401k clients. A \$500 retainer is required at the start of a financial plan engagement. For AUM clients financial planning services will continue to be included in their fees at no additional charge. From time-to-time non-clients request financials plans but would like to manage their own assets. In these situations, we will bill the standard \$150/hour including a \$500 up front retainer.

For clients approaching retirement (age 62), we will offer pre-retirement financial planning at the discounted rate and refund the planning fees once they retire and move to our AUM model.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of **30** days written notice. Fees will be assessed up to the date of termination.

Mutual Fund Fees: All fees paid to American Financial Advisors, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees:
AFA does not participate in a wrap fee program.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to American Financial Advisors, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Item 6 Performance-Based Fees and Side-By-Side Management

American Financial Advisors, LLC does not charge performance-based fees. Performance based fees are those based on a share of capital gains or on capital appreciation of assets.

Item 7 Types of Clients

American Financial Advisors, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of

management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk is using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

On occasion the following investment strategies might be used. This is based on special

situations geared towards specific clients. This is not the norm.

Short sales. We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We may engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. ***This is not the norm and would be an exception.***

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account if you request us to do so. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. We normally avoid margin due to the cost associated with it.

Option writing. Certain clients may request to have an Option agreement from their respective custodian. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

Clients at AFA might use "covered calls", in which we sell an option on a security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price. ***This is not the norm and would be an exception.***

Risk of Loss. Clients should understand that securities investments are not guaranteed and investing in any securities, including mutual funds, involves a risk of loss of both income and principal.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. American Financial Advisors, LLC and our personnel owe a duty of loyalty, fairness and good faith

towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

American Financial Advisors, LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to awilliams@afainvestments.com, or by calling us at 770 977-2434 or 888-413-9080.

American Financial Advisors, LLC and individuals associated with our firm are prohibited from engaging in principal transactions and agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is based on information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or Managing Partners.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is

granted discretionary authority.

8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

American Financial Advisors has arranged favorable commission rates with several brokerage firms. These may or may not be the lowest fees available for this type of service; however American Financial Advisors believes that the rates received are fair and reasonable in accordance with industry standards and total services made available. We encourage clients to use brokerage firms with low commission rates to improve performance. Low commission rates are not the sole determinant of our recommendation. We also consider operational factors. For example, we prefer firms with which we can electronically interface our back office and with which we can trade electronically, and have ease of customer support. It is important that the brokerage firms be able to hold and trade the mutual funds that we suggest to our clients. These services economically benefit American Financial Advisors by reducing the cost of servicing our clients. Overall service is also a factor. American Financial Advisor may or may not receive additional economic benefit from our relationship with these firms. This benefit is in the form of discounts on third-party subscriptions and software. No benefit is specifically tied to a client or the amount of business we transact with a firm.

Clients must include any limitations on this discretionary authority. Clients may change/amend these limitations as required.

American Financial Advisors, LLC will use block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. American Financial Advisors, LLC will typically aggregate trades among clients whose accounts can be traded at a given custodian. American Financial Advisors, LLC's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with American Financial Advisors, LLC, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable American Financial Advisors, LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) American Financial Advisors, LLC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on American Financial Advisors, LLC's records and to the custodians or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Custodians:

1. Charles Schwab & Co., Inc

American Financial Advisors, LLC may recommend that clients establish brokerage accounts primarily with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. American Financial Advisors, LLC is independently owned and operated and not affiliated with Schwab.

Schwab provides American Financial Advisors, LLC with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-

related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit American Financial Advisors, LLC but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that provide access to client account data (such as trade confirmations and account statements);

- i. Capability to execute, clear, and settle trades (buy and sell securities for your account)
- ii. Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- iii. Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- iv. Availability of investment research and tools that assist us in making investment decisions
- v. Quality of services
- vi. Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- vii. Reputation, financial strength, and stability
- viii. Prior service to us and our other clients
- ix. Provide access to client account data (such as duplicate trade confirmations and account statements)
- x. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- xi. Provide pricing and other market data
- xii. Facilitate payment of our fees from our clients' accounts
- xiii. Assist with back-office functions, recordkeeping, and client reporting
- xiv. Educational conferences and events
- xv. Consulting on technology, compliance, legal, and business needs
- xvi. Publications and conferences on practice management and business succession
- xvii. Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to American Financial Advisors, LLC. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

2. Fidelity

American Financial Advisors, LLC has an arrangement with National Financial Services LLC and

Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides our firm with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting. Fidelity also offers other services intended to help our firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom American Financial Advisors, LLC may contract directly.

American Financial Advisors, LLC is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of American Financial Advisors, LLC's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is 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 a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while American Financial Advisors, LLC will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

3. TD Ameritrade

American Financial Advisors, LLC participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. American Financial Advisors, LLC receives some

benefits from TD Ameritrade through our participation in the program.

American Financial Advisors, LLC participates in TD Ameritrade's Institutional customer program and we may recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to American Financial Advisors, LLC by third party vendors.

Some of the products and services made available by TD Ameritrade through the program may benefit American Financial Advisors, LLC but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by American Financial Advisors, LLC through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by American Financial Advisors, LLC or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

Item 13 Review of Accounts

REVIEWS:

While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Michael Stark, Andria Williams and Linda Viglotti.

REPORTS:

In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, AFA, LLC provides quarterly or annual reports summarizing account performance, balances and holdings upon request.

FINANCIAL PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

Item 14 Client Referrals and Other Compensation

It is American Financial Advisors, LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

Schwab Advisor Services™ assisted American Financial Advisors with a credit with one attendee fee waiver of \$1050 for IMPACT® 2017 conference in Chicago, Illinois.

In 2017 Schwab provided \$2000 in sponsorship for co hosting a client event.

These benefits in connection with maintaining assets on sponsor's platforms or recommending the custodial services of sponsor, there may exist a perceived conflict of interest.

It is American Financial Advisors, LLC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a monthly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send quarterly or annual reviews directly to our clients upon request. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Our firm does not have actual or constructive custody of client accounts. The custodian maintains actual custody.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. American Financial Advisors, LLC has no additional financial circumstances to report.

American Financial Advisors, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 Supplemental Bios

American Financial Advisors, LLC
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

03/30/2018

This brochure supplement provides information about Michael David Stark, John Kevin Grady, Linda Rose Viglotti, Patrick Francis Viglotti, & Andria Jo Williams that supplements the American Financial Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Andria Williams 770 977-2434 or 888-413-9080 if you did not receive American Financial Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Michael David Stark
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

Item 2 Educational Background and Business Experience

Full Legal Name: Michael David Stark **Born:** 1956

Education

- State University of New York at Binghamton; BA, Environmental Science & Geography/Urban Planning; 1979
- U.S. Navy Flight School; Naval Aviator; 1981

Business Experience

- American Financial Advisors, LLC; Chief Executive Officer; from 1995 to Present
- Delta Air Lines; Pilot; from 1987 to Present
- Stark Enterprises Home Group, LLC (Self Directed IRA "SDIRA") Dec 2015 to Present
- Mane Haus Capital Group, LLC (Operating account) Dec 2015 to Present

Designations

Michael David Stark has earned the following designation(s) and is in good standing with the granting authority:

Series 63 A securities license entitling the holder to solicit orders for any type of security in a particular state. The Series 63 exam mainly covers state laws and regulations.

Series 65: The Uniform Investment Adviser Law Examination consists of 130 questions plus 10 pretest questions. NASAA believes that the Uniform Investment Adviser Law Examination will significantly

benefit the industry and state regulators alike by such uniformity. The investing public will be afforded a greater degree of protection through enhanced uniform qualification standards.

- Series 63; NASD; 1995
- Series 65; NASD; 1995

Item 3 Disciplinary Information

Michael David Stark has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

- Michael David Stark invests in real estate purchases and rehabs via his personal SDIRA. The SDIRA is held at Advanta and is a separate LLC from American Financial Advisors, LLC, there is no conflict of interest. The properties are purchased for cash, rehabbed and all proceeds/profits are directed back to the SDIRA in accordance with IRS guidelines.
- Mane Haus handles operating costs of the rehabs which includes items like earnest monies, utilities, title insurance, property insurance and taxes on each property.
- These two companies are not affiliated with AFA in any manor other than Mr. Stark is the owner of both entities, which operate independent of one another. The majority of Mr. Stark's time is spent in the offices of AFA.
- Michael David Stark does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

Michael David Stark is engaged in another business or occupation that provides substantial compensation or involves a substantial amount of his time. Michael works with Delta Air Lines as a Pilot.

Item 5 Additional Compensation

Michael David Stark does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Linda Viglotti

Title: Chief Operations Officer

Phone Number: 770 977-2434

John Kevin Grady
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

Item 2 Educational Background and Business Experience

Full Legal Name: John Kevin Grady **Born:** 1954

Education

- United States Coast Guard Academy; BS, Chemistry; 1976
- U.S. Navy Flight School; Naval Aviator; 1979

Business Experience

- American Financial Advisors, LLC; Financial Planner 2009 to present
- Delta Air Lines; Pilot; from 1986 to Present

Designations

John Kevin Grady has earned the following designation(s) and is in good standing with the granting authority:

The CFP® certification is one of the top generalist marks financial planners can earn. This high-quality, rigorous program covers a broad base of financial planning subject areas and trains certificants in the discipline of financial planning. Applicants must complete an approved educational program consisting of either five or six college-level courses in such subject areas as insurance planning and risk management, the financial planning process, investment planning, income tax planning, retirement planning, and estate planning. Alternately, candidates may sit for the comprehensive exam if they have previously earned one of the following professional credentials or educational degrees: CPA, ChFC®, CLU®, CFA, Ph.D. in business or economics, DBA, or JD.

The ChFC® designation has been a mark of excellence for financial planners for almost thirty years and currently requires more courses than any other financial planning credential. The curriculum covers extensive education and application training in all aspects of financial planning, income taxation, investments, and estate and retirement planning. ChFC® candidates must complete nine college-level courses, seven required and two electives. The required courses include *Financial Planning: Process and Environment*; *Fundamentals of Insurance Planning*; *Income Taxation*; *Planning for Retirement Needs*; *Investments*; *Fundamentals of Estate Planning*; and *Financial Planning Applications*.

- CFP® - Certified Financial Planner; Certified Financial Planner Board of Standards, Inc.

2012

- ChFC® Chartered Financial Consultant; The American College of Financial Services;
2016

Item 3 Disciplinary Information

John Kevin Grady has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

1. John Kevin Grady is not engaged in any other investment-related activities.
2. John Kevin Grady does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

John Kevin Grady is engaged in another business or occupation that provides substantial compensation or involves a substantial amount of his time. Kevin works with Delta Air Lines as a Pilot.

Item 5 Additional Compensation

John Kevin Grady does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Michael Stark

Title: Managing Member

Phone Number: 770 977-2434

Linda Rose Viglotti
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

Item 2 Educational Background and Business Experience

Full Legal Name: Linda Rose Viglotti **Born:** 1958

Education

- Pace University, BBA, 1982
- Old Dominion University, MBA, 1986

Business Experience

- American Financial Advisors, LLC. 2000 to Present

Item 3 Disciplinary Information

Linda Rose Viglotti has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

1. Linda Rose Viglotti is not engaged in any other investment-related activities.
2. Linda Rose Viglotti does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

Linda Rose Viglotti is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

Item 5 Additional Compensation

Linda Rose Viglotti does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Michael Stark
Title: Managing Member
Phone Number: 770 977-2434

Patrick Francis Viglotti
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

Item 2 Educational Background and Business Experience

Full Legal Name: Patrick Francis Viglotti **Born:** 1958

Education

- State University of New York (SUNY); BS, Finance; 1981

Business Experience

- IBM Corporation; Sales Executive; from 1978 to February 2017

Designations

Patrick Francis Viglotti has earned the following designation(s) and is in good standing with the granting authority:

Chartered Retirement Planning Counselor CRPC®

Individuals who hold the CRPC® designation have completed a course of study encompassing pre- and post-retirement needs, asset management, estate planning and the entire retirement planning process using models and techniques from real client situations. The program is designed for approximately 120-150 hours of self-study. The program is self-paced and must be completed within one year from enrollment.

- CRPC®; College of Financial Planning; 2018

Item 3 Disciplinary Information

Patrick Francis Viglotti has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

1. Patrick Francis Viglotti is not engaged in any other investment-related activities.
2. Patrick Francis Viglotti does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

Patrick Francis Viglotti is engaged in other business or occupations that provide substantial compensation or involves a substantial amount of his time. Patrick is a board member of a privately held software company located in Boynton Beach Florida.

The company name is The Estimating Edge (TEE). As a board member he participates in quarterly meetings.

Item 5 Additional Compensation

Patrick Francis Viglotti does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Michael Stark
Title: Managing Member
Phone Number: 770 977-2434

Andria Jo Williams
2551 Roswell Road, STE 310
Marietta, GA 30062
770 977 2434

Item 2 Educational, Background and Business Experience

Full Legal Name: Andria Jo Williams **Born:** 1969

Education

- Bachelor of Business Administration (BBA) in Finance from Kennesaw State University. December 2015

Business Experience

- American Financial Advisors; Chief Compliance Officer; from 1998 to Present

Designations

Andria Jo Williams has earned the following designation(s) and is in good standing with the granting authority:

FPQP™ - Financial Paraplanner Qualified Professional

Individuals who hold the FPQP™ designation have completed a course of study encompassing the financial planning process; the five disciplines of financial planning; and general financial planning concepts, terminology, and product categories. The program is designed for approximately 80-120 hours of self-study. The program is self-paced and must be completed within one year from enrollment.

Series 65: The Uniform Investment Adviser Law Examination consists of 130 questions plus 10 pretest questions. NASAA believes that the Uniform Investment Adviser Law Examination will significantly benefit the industry and state regulators alike by such uniformity. The investing public will be afforded a greater degree of protection through enhanced uniform qualification standards.

CMFC®: Chartered Mutual Fund Counselor:

Individuals who hold the CMFC® designation have completed a course of study encompassing all aspects of mutual funds and their uses as investment vehicles. The program is designed for approximately 120-150 hours of self-study. The program is self-paced and must be completed within one year from enrollment.

- FPQP™; College of Financial Planning; 1998

- Series 65; NASD; 2004
- CMFC®; College of Financial Planning; 2010

Item 3 Disciplinary Information

Andria Jo Williams has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

1. Andria Jo Williams is not engaged in any other investment-related activities.
2. Andria Jo Williams does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

Andria Jo Williams is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

Item 5 Additional Compensation

Andria Jo Williams does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Michael D. Stark
Title: Managing Member
Phone Number: 770 977-2434

Additional information about Michael Stark, Patrick Viglotti Linda Viglotti and Andria Williams is available on the SEC's website at www.adviserinfo.sec.gov