

Bodnar Financial Advisors, Inc.

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This Brochure provides information about the qualifications and business practices of Bodnar Financial Advisors Inc. If you have any questions about the contents of this Brochure, please contact us at 973-966-6939 or BFALnc@bodnar.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.

Bodnar Financial Advisors, Inc. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser help provide you with information, which you can then use to determine to hire or retain an Adviser.

Additional information about Bodnar Financial Advisors, Inc. is available on the SEC's website at www.adviserinfo.sec.gov. IARD #129014.

Item 2 – Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an Adviser's disclosure brochure, the Adviser is required to notify you and provide you with a description of the material changes.

Our last annual updating amendment occurred on March 14, 2019. Since that date, we have made the following changes to our brochure:

Item 14 was revised to disclose that John Bodnar is compensated by certain banking institutions when he assists a client to establish a banking relationship with a particular bank. Axos Bank, formerly Bank of the Internet (Bofi), is the banking institution that has agreed to pay fees to John Bodnar. Clients are under no obligation to use Axos Bank. This is considered a conflict of interest because John Bodnar has an incentive for clients to use Axos Bank.

We will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Bodnar Financial Advisors, Inc. at 800-886-6939. Our Brochure is also available on our web site www.Bodnar.net.

Additional information about Bodnar Financial Advisors, Inc. is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Bodnar Financial Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of Bodnar Financial Advisors, Inc.

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Item 4 – Advisory Business

BODNAR FINANCIAL ADVISORS, INC. (BFA) was founded in 1990. The Founder and President of BFA is John Bodnar, III. John Bodnar, III maintains full ownership of his firm. The mission statement of BFA is: *“Helping clients achieve their life goals with a sense of security.”*

BFA believes that every client should have a PERSONAL FINANCIAL PLAN (PFP) produced by a Certified Financial Planner®

Financial Planning and Consulting

An efficient, productive and successful financial plan is a 5-Step process.

Step 1 is a thorough analysis of the client’s current investment holdings, insurance coverage’s, income tax returns, paycheck stubs, wills and trusts, employee benefit programs and any other financial documents that would provide BFA with a complete picture of the client’s situation. The collection of precise data directly affects the ultimate accuracy of the analysis.

Step 2 requires the client to think about their life goals. Working together, BFA and the client will compile a list of short-term and long-term ambitions that will move the client along the road to achieving their life goals. Client *may* impose restrictions on investing in certain securities or types of securities.

Step 3 is the production of an individualized PFP for each client. BFA customizes an analysis based upon the needs of the client in each of the five basic areas of financial planning: 1) Cash Flow & Budgeting 2) Estate Planning 3) Investment Planning 4) Income Tax Planning 5) Risk Management & Insurances.

Step 4 is the implementation of the PFP. Most financial plans require some type of inter-action between the client and the financial services industry. It may be a service provider, such as an attorney to draft a will or trust, or a CPA to file an amended Form 1040X. It may be a manufacturer of a financial product, such as an insurance agent to purchase life, health, disability, or long-term-care insurance. Or a securities dealer to purchase stocks and bonds. Or a registered investment advisor to manage a portfolio of ETFs and mutual funds on a fee-basis. It is the client’s responsibility to implement the recommendations that BFA makes in the PFP. The client is free to execute all, part or none of the recommendations made by BFA. Clients are under no obligation to have John Bodnar implement any suggestions made in a written financial plan.

It is strongly suggested that you review *Item 5 – Fees & Compensation*, and *Item 10 – Other Financial Industry Activities and Affiliations* – for a full disclosure of conflicts of interest between the client and BFA.

Step 5 is the review of the PFP. It is the responsibility of the client to keep BFA informed of any changes that could impact the PFP. BFA strongly suggests an annual review meeting

between the financial advisor and the client. A more comprehensive discussion is located in *Item 13 – Review of Accounts*.

BFA spends the majority of its time meeting with clients, and preparing or updating client personal financial plans (PFP). BFA spends approximately 50% of its time providing advice to clients on matters NOT involving securities or investment management. BFA does not manage client assets. BFA does not manage a wrap free program or provide direct portfolio management services. BFA does furnish investment advice through individual consultations.

- (a) The Basic Plan
- (b) The Comprehensive Plan
- (c) The Combination Business Entity – Individual Plan
- (d) Annual Account Support: Client will receive an annual update to their financial plan and have ongoing access to BFA for questions and consultation on various financial matters.

Client is advised that the investment recommendations and advice offered by BFA are not legal advice or accounting advice. Client should coordinate and discuss the impact of financial advice with their attorney and/or accountant. Client is advised that it is necessary to inform BFA promptly with respect to any changes in the client's financial situation and investment goals and objectives. Failure to notify BFA of any such changes could result in recommendations not meeting the needs of the client.

General Information

BFA does not sponsor or participate as an asset manager in a wrap program. BFA does not directly engage in the management of clients assets. Therefore, BFA does not have assets under management.

Assets Under Management

We do not have any discretionary or non-discretionary assets under management.

Item 5 – Fees and Compensation

Financial Planning and Consulting

As disclosed above in Item 4, The Personal Financial Plan (PFP) has three possible sub-categories. A client's fee will be quoted to the client prior to execution of an advisory agreement. The fee quoted will be determined based on consideration of several factors including: complexity of the client's situation, areas of planning needed, number of meetings, organization of client material, needs of the client, and staff resources.

- (a) The Basic Plan, which will cost the Client a flat fee in a range of \$500 - \$1,000,

(b) The Comprehensive Plan, which will cost the Client a flat fee in a range of \$1,250 - \$2,500,

(c) The Combination Business Entity – Individual Plan, which will cost the Client a flat fee in a range of \$1,500 - \$9,500.

Fees are negotiable. Fees are due in full after presentation of the plan. Clients will be sent an invoice and fees are due in full upon receipt of an invoice.

Annual Account Support Fee

BFA charges an annual account support fee to all clients for the giving of continuous financial planning and investment advice. The annual account support fee is in addition to the above described flat fees. The cost of the annual account support fee ranges from \$125 - \$2500. Fees are negotiable. The fee quoted will be determined based on consideration of several factors including: complexity of the client's situation, areas of planning needed, number of meetings, organization of client material, needs of the client, and staff resources. Fees are due in arrears each year and will be invoiced typically in the first quarter of each year. Since the annual account support is due in arrears it is not refundable once it is paid by Client. Lower fees for comparable services are available from other sources. See also *Item 10 – Other Financial Industry Activities and Affiliations* for other conflicts of interest.

Client can terminate services at any time upon delivery of written notice to BFA. Any refund of prepaid advisory fees or any fees due to BFA will be calculated based on BFA's time and work multiplied by the hourly rate of \$450 per hour. Clients have the right to terminate the advisory agreement within five (5) business days of execution of the agreement with BFA without penalty.

General Information

BFA's investment advisor representative, John Bodnar, is a registered representative of Cambridge Investment Research, Inc. (Cambridge), a registered broker/dealer, member FINRA and SIPC. Additionally, John Bodnar is an advisory representative of Cambridge Investment Research Advisors, Inc. ("CIRA"). Clients are not obligated to purchase or sell securities through John Bodnar or participate in advisory services offered by him in his separate capacities. However, if clients choose to implement the advice provided by BFA through John Bodnar in his separate capacities as registered representative or advisory representative of CIRA, Cambridge will be used and commissions are earned in addition to any fees paid for advisory services.

Commissions are higher or lower at Cambridge than at other broker/dealers. Cambridge registered representatives associated with BFA have a conflict of interest in having clients purchase securities and/or insurance related products through Cambridge in that the higher their production with Cambridge the greater opportunity for obtaining a higher pay-out on commissions earned. Further, registered representatives are restricted to only offering those products and services that have been reviewed and approved for offering to the public by

Cambridge and for which Cambridge and its clearing firms, National Financial Services, LLC and Pershing, LLC, has obtained a selling agreement.

BFA's investment advisor representatives, in their separate capacities as registered representatives, receive commissions from the execution of securities transactions. As registered representatives, investment advisor representatives also receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees represents an incentive for the investment advisor representatives to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a conflict of interest.

Clients will incur certain charges imposed by custodians and brokers such as deferred sales charges, IRA and retirement plan fees, transfer fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees, and commissions are exclusive of and in addition to BFA fees and any investment management fees charged by wrap fee managers. BFA does not receive any portion of these commissions, fees, and costs.

These practices present a conflict of interest and give BFA and John Bodnar an incentive to recommend investment products based on the compensation received, rather than on a client's needs. BFA and John Bodnar will attempt to mitigate conflicts of interest by the following disclosures. Further, to the best of BFA's knowledge, this Disclosure Brochure provides disclosure of all material conflicts of interest.

- Informing you of conflict of interest in this Disclosure Brochure.
- Maintaining and abiding by our Code of Ethics which requires us to place your interest first and foremost.
- Routine review of transactions
- Advising you of the right to decline to implement our recommendations and the right to choose other financial professionals for implementation.
- Recognizing and advising you BFA is a fiduciary and has an obligation to conduct its business in the best interest of its clients and not in BFA's interest.

You can purchase the securities recommended by John Bodnar directly or through other brokers or agents.

More than 50% of the revenue received by John Bodnar is derived from commissions and other compensation for the sale of investment products recommended. Such revenue includes asset based distribution fees from the sale of mutual funds. Revenue paid through Cambridge and its affiliates is the primary source of revenue for John Bodnar. BFA does not offset its fees by the amount of any commissions received by John Bodnar.

Item 12 – Brokerage Practices further describes the factors that BFA considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions). As previously stated, BFA does not conduct transaction or provide asset management services. Such services are offered by John Bodnar in the capacity as a registered representative of Cambridge Investment Research, Inc. or as an advisory representative of Cambridge Investment Research Advisors, Inc. (“CIRA”).

IRA Rollover Considerations

As part of our consulting and advisory services, we offer recommendations and advice concerning your employer retirement plan or other qualified retirement account. Our recommendations may include that you consider withdrawing the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account (“IRA”). Further, we offer our management services to those funds and securities rolled into an IRA or other account for which we will receive compensation. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as described above under Item 5. This practice presents a conflict of interest because persons providing investment advice on your behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us.

It is important for you to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in your employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage it is important you understand the following:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.

- a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. You should understand the various products and services you might take advantage of at an IRA provider and the costs of those products and services.
 - c. It is likely you will not be charged a management fee and will not receive ongoing asset management services unless you elect to have such services. In the event your plan offers asset management or model management, there may be a fee associated with the services that is more or less than our asset management fee.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
5. If you keep your assets titled in a 401k or retirement account, you could delay your required minimum distribution beyond age 72.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your BFA investment adviser representative at 800-886-6936.

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

BFA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

BFA provides portfolio management services to individuals, small-business pension and profit-sharing plans, and trusts.

BFA does not impose a minimum dollar value of assets or other conditions for starting a financial planning engagement.

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

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

Risk of loss: BFA does not represent, warrant or imply that the services or methods of analysis used by BFA can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to major market corrections or crashes. No guarantees can be offered that client's goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by BFA will provide a better return than other investment strategies.

As part of the PFP, BFA analyzes the unique needs of the client with respect to cash flow, liquidity, future inflation (CPI), diversification, and income taxes. BFA recommends investment strategies and other financial planning options consistent with the needs of the client.

Sources of information: BFA utilizes several regular publications that rank the recent and historical performance of various investments and longer term performance of managers including Investment View (Thompson Financial) and Stocks Bonds Bills and Inflation (Morningstar). BFA utilizes Back Office Technician (Advysis) for certain financial planning reports, including income tax and estate tax projections, S&P stock reports (Pershing, LLC), and numerous independent global asset allocation managers.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of BFA or the integrity of BFA's management. BFA and John Bodnar have no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

BFA's President, John Bodnar, III, is involved in product sales of insurance [including life insurance, disability insurance, long-term-care insurance, and annuities] and securities products. Clients are under no obligation to purchase insurance products through Mr. Bodnar. However, if clients do purchase insurance products through Mr. Bodnar commissions will be earned which are in addition to any advisory fees paid by the client.

Approximately fifty (50%) percent of Mr. Bodnar's time is attributed to sales related activities. Approximately fifty (50%) percent of Mr. Bodnar's time is attributable to advisory related matters.

Mr. Bodnar is a registered representative and General Securities Principal of Cambridge Investment Research, Inc. ("Cambridge"). Mr. Bodnar is an Investment Advisor Representative of Cambridge Investment Research Advisors, Inc. (CIRA), an SEC registered investment advisor, which provides fee-based portfolio management programs.

Clients are under no obligation to purchase or sell securities through John Bodnar. Clients have total freedom to enter into securities transactions with any broker/dealer they choose. However, if another broker/dealer is selected, the services offered by BFA and John Bodnar are limited to advice only.

Advisory Representatives who are registered representatives of Cambridge are subject to FINRA Conduct Rule 3040 which restricts such registered individuals from conducting securities transactions away from Cambridge unless Cambridge provides the Representative with written authorization. Therefore, clients are advised that Advisory Representatives will be limited to conducting securities transactions through Cambridge.

When asked by the Client to implement the recommendations made by BFA, it is likely that associated person(s) of BFA will recommend or use only the financial products offered by the broker/dealer as stated above and that the implementation of the financial plan will be limited by this fact.

Item 11 – Code of Ethics

CODE OF ETHICS

BFA has a fiduciary duty to clients to act in the best interest of the client and always place the client's interests first and foremost. BFA takes seriously its compliance and regulatory

obligations and requires all staff to comply with such rules and regulations as well as BFA's policies and procedures.

Further, BFA strives to handle clients' non-public information in such a way to protect information from falling into hands that have no business reason to know such information. Each year BFA provides clients with BFA's Privacy Policy. BFA maintains a code of ethics for its Advisory Representatives, supervised persons, and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with applicable securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about client transactions. Further, BFA's Code of Ethics establishes BFA's expectation for business conduct.

It is BFA's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. BFA will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction is also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. In the unlikely event that the interests of BFA, its employees, John Bodnar, or any member of John Bodnar's family would happen to correspond with an advisory Client's interests, full disclosure would be made to such Client at once.

BFA is in and shall continue to be in compliance with the Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, BFA has adopted a firm wide policy statement outlining insider trading compliance by BFA and its associated persons and other employees. This statement had been distributed to all associated persons and other employee of BFA and has been signed and dated by each such person. A copy of such firm wide policy is given to the person and the original is maintained in a master file. Further, BFA has adopted a written supervisory procedures statement highlighting the steps that shall be taken to implement the firm wide policy. These materials are also distributed to all associated persons and other employees of BFA, and are signed, dated and filed with the insider trading compliance materials. There are provisions adopted for:

- (1) restricting access to files,
- (2) providing continuing education,
- (3) restricting and/or monitoring trading on those securities of which BFA's employees have non-public information,
- (4) requiring all of BFA's employees to conduct their trading through a specified

- broker or reporting all transactions promptly to BFA, and
- (5) monitoring the securities trading of the firm and its employees and associated persons.

BFA's associated person(s) are registered representatives of Cambridge. In the event that a client freely chooses to implement the advice through such registered representative(s), the broker/dealer would be Cambridge.

BFA or individuals associated with BFA buy or sell securities identical to those recommended to customers for their personal account.

It is the expressed policy of BFA that no person employed by BFA can purchase or sell any security prior to a transaction(s) being implemented for a client account, and therefore, preventing such employees from benefiting from transactions placed on behalf of client accounts.

BFA or any related person(s) can have an interest or position in a certain security(ies) which can also be recommended to a client.

As these situations represent a conflict of interest, BFA has established the following restrictions in order to ensure its fiduciary responsibilities:

- (1) A director, officer, or employee of BFA shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No BFA employee shall prefer his or her own interest to that of the Client.
- (2) BFA maintains a list of all securities holding for itself and anyone associated with BFA. These holdings are reviewed on a regular basis by John Bodnar, III.
- (3) BFA requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- (4) Any individual not in observance of the above is subject to termination.

BFA clients or prospective clients may request a copy of the firm's Code of Ethics by contacting our office at 800-886-6939.

Item 12 – Brokerage Practices

Clients shall have total freedom to execute securities and/or insurance related transactions with any company of their choice. As previously stated, John Bodnar is a registered representative of Cambridge. As a registered representative he is subject to FINRA Conduct Rule 3040 which restricts him from conducting securities transactions away from Cambridge unless Cambridge provides him with written authorization.

Not all investment advisers require you to maintain accounts at a specific broker/dealer. You

can maintain accounts at another broker/dealer. However, the services provided by BFA and John Bodnar will be limited to only advice and will not include implementation. If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from John Bodnar.

In initially selecting Cambridge, John Bodnar conducted due diligence. John Bodnar's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to Cambridge
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that bear on the overall evaluation of best price and execution

There is an incentive for John Bodnar to recommend one broker/dealer over another based on the products and services that will be received rather than your best interest. Therefore, clients will pay more or less commissions than those charged by other broker/dealers in return for the products and services received by John Bodnar. The products and services John Bodnar receives from Cambridge will be used to benefit all clients including those clients who elect to maintain their accounts elsewhere.

Cambridge provides John Bodnar with back-office operational, technology, and other administrative support. Other services include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. Such services are intended to help John Bodnar and BFA manage and further develop its business enterprise.

Cambridge also makes available to John Bodnar other products and services that benefit John Bodnar but do not directly benefit its clients. Some of these other products and services assist John Bodnar with administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally are used to service all or a substantial number of John Bodnar's clients, including clients not utilizing the services of Cambridge.

With respect to client implementation of the recommendations made by BFA, clients can pay commissions and/or fees higher than those obtainable from other brokers. BFA does not

guarantee that it will be the lowest cost provider of such services.

BFA does not offer asset management services and is not involved in trade execution. Therefore order aggregation of securities for client accounts is not applicable.

Item 13 – Review of Accounts

BFA strongly suggests that clients meet with John Bodnar no less than annually for a complete review of the PFP. John Bodnar completes all reviews with clients.

The annual review can include all of the following:

- updated statement of net worth - balance sheet (always)
- confirm that all client information is accurate and up-to-date in BFA database (always)
- review of all investment accounts (always)
- confirm all sources of income (always)
- updated asset allocation analysis
- review of the client's prior year income tax returns
- review of insurance coverage's -life, health, disability, LTC, property & casualty and umbrella liability insurance
- review of estate plan and confirmation that client has a will, living will and power-of-attorney
- calculation of annual required minimum distribution (RMD)
- review of employee benefits – stock options & equity compensation plans

It is the responsibility of the client to keep BFA informed of any changes that impact the PFP or investment advisor selection. Changes in a client's employment, marital status, and health can affect the advice BFA renders.

BFA does not provide regular reports on client's accounts. Any reports regarding client's investment accounts are provided direct by the account custodian.

Item 14 – Client Referrals and Other Compensation

BFA does not compensate any person or entity for client referrals.

John Bodnar is compensated by certain banking institutions when John Bodnar assists a client to establish a banking relationship with a particular bank. Axos Bank is the banking institution that has agreed to pay fees to John Bodnar. Clients are under no obligation to use Axos Bank. This is considered a conflict of interest because John Bodnar has an incentive for a client to use to use Axos Bank.

John Bodnar has an arrangement with Lifelock to receive a referral fee from Lifelock. Any person who subscribes to Lifelock as a result of being referred by John Bodnar, Lifelock has agreed to pay John Bodnar 15% of the subscription fee paid by the client. Clients are under no obligation to subscribe to Lifelock. This is considered a conflict of interest because John Bodnar has an incentive for a client to subscribe to Lifelock services.

Product sponsors and Cambridge host conferences periodically and occasionally covers some of the costs of attending the conferences which are for educational and networking opportunities. Qualification to the conferences or the amount of costs covered can be tied to production. This is a conflict of interest. To mitigate this conflict of interest, this disclosure is provided.

To mitigate these conflicts of interest, these disclosures are provided to you.

Item 15 – Custody

BFA does not maintain custody of client funds or securities.

Clients should receive at least quarterly statements from the broker dealer, bank, or other qualified custodian that holds and maintains client’s investment assets. BFA urges you to carefully review such statements and compare such official custodial records to the account statements that wrap fee managers and/or investment advisors provide to you.

BFA has entered into a relationship with CIRstatements, a subsidiary of CAMBRIDGE, to provide on-line access to client accounts. CIRstatements and the firms that provide custody to client accounts (IE: Pershing, Schwab, Fidelity, etc.) are wholly responsible for the content on CIRstatements.

The frequency and nature of reports to clients is determined by the clearing and custody firms and/or the wrap fee investment advisor.

Statements vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If clients have any questions regarding statements they receive, either by mail or electronically, they should contact John Bodnar at 973-966-6939.

Item 16 – Investment Discretion

BFA and John Bodnar DO NOT accept any accounts with discretionary authority to manage securities on behalf of clients.

Item 17 – Voting Client Securities

BFA does not vote client proxies on behalf of clients.

As a matter of firm policy and practice, BFA does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. BFA provides advice to clients regarding the clients' voting of proxies upon a client's request.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about BFA's financial condition. BFA will not require you to prepay more than \$500 and six or more months in advance of receiving the advisory service.

BFA and John Bodnar have no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

By reason of the fact that Mr. Bodnar sells securities products and insurance products, it is the case that he may receive an economic benefit from a non-client in connection with giving advice to clients. See *Item 5, Item 6, and Item 10* for additional facts regarding commissions and fees.

The formal education and business backgrounds of John Bodnar is disclosed on the attached Supplement.

BFA is not actively engaged in any other business. Other business in which John Bodnar is actively engaged is disclosed on the attached Supplement.

The principal executive officer and management person has not been involved in any of the following.

An event involving an arbitration claim alleging damages in excess of \$2,500 involving:

- An investment or an investment related activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- an investment or an investment-related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

BFA does not have any relationship or arrangement with any issuer of securities.

California requires the following disclosures.

- Lower fees for comparable services are available from other sources.
- Conflict exists between the interests of the investment adviser and the interests of the client
- Client is under no obligation to act upon the investment adviser's recommendation
- Client is under no obligation to effect transactions through the investment adviser

Item 1
**FORM ADV PART 2B
BROCHURE SUPPLEMENT**

John Bodnar, CFP[®], CIMA[®]

**Bodnar Financial Advisors, Inc.
248 Columbia Turnpike
Florham Park, NJ 07932
P: 973-966-6939**

March 2019

This brochure supplement provides information about John Bodnar that supplements the Bodnar Financial Advisors Inc. brochure. You should have received a copy of that brochure. Please contact our office at 973-966-6939 if you did not receive Bodnar Financial Advisors, Inc. brochure or if you have any questions about the contents of this supplement.

Additional information about John Bodnar is available on the SEC's website at www.adviserinfo.sec.gov. 1056585

John Bodnar, CFP®, CIMA®

Item 2 - Educational Background and Business Experience

Year of Birth: 1958

Education:

Name of School	Years Attended	Year Graduated	Degree	Major
Hobart College	1976-1981	1981	BA	History & American Studies
College for Financial Planning		1986		Certified Financial Planner® (CFP)

Designations: Certified Financial Planner® (CFP), Denver, CO USA, 1986

Certified Investment Management Consultant (CIMC), Arizona, USA, 1997.

Certified Investment Management Analyst (CIMA), Denver, CO, USA, 2003

John Bodnar has passed the following industry securities examinations (FINRA):

Investment Company Products/Variable Contracts	Series 6	10/27/1982
Direct Participation Programs	Series 22	01/24/1984
General Securities Representative	Series 7	07/21/1984
Uniform Securities Agent State Law	Series 63	07/15/1987
General Securities Principal	Series 24	09/25/1991

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

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

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in three 8-day testing windows. The exam is comprised of 170 multiple-choice questions, including stand-alone questions and sets of questions associated with short scenarios or more lengthy case histories.;
- Experience – Complete 6,000 hours of experience through the Standard Pathway, or 4,000 hours of experience through the Apprenticeship pathway that meets additional requirements. Qualifying experience may be acquired through a variety of activities and professional settings including personal delivery, supervision, direct support, indirect support or teaching.;

- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

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

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

Certified Investment Management Analyst (CIMA)

The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, and pass an online Certification Examination. CIMA designees are required to adhere to IMCA’s Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

Certified Investment Management Consultant (CIMC)

As of December 2003, new CIMC certifications are no longer granted. When the designation was issued, its content focused on investment consulting. Current CIMC designees can maintain the designation through Investment Management Consultants Association (IMCA). CIMC designees are required to adhere to IMCA’s Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMC designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the designation.

Business Background:

Name of Employer	Type of Business	Title	Period of Employment
Cambridge Investment Research Advisors, Inc.	Investment Adviser	Advisory Rep.	July 2008 to present
Cambridge Investment Research, Inc.	Broker/Dealer	Registered Representative	July 2008 to present
Bodnar Financial Advisors Inc.	Advisory and Financial Planning	President	January 1988 to Present

Item 3 - Disciplinary Information

John Bodnar is not subject to legal or disciplinary events that are material to a client or prospective client's evaluation of him or the services offered by him.

Item 4 - Other Business Activities

John Bodnar is dually registered as an advisory representative of Bodnar Financial Advisors, Inc. ("BFA") and as a registered representative of Cambridge Investment Research, Inc. ("CIR"), a registered broker/dealer, member of the Financial Industry Regulatory Authority and SIPC. Further, John is an advisory representative with Cambridge Investment Research Advisors, Inc. ("CIRA"). Clients are under no obligation to purchase or sell securities through John Bodnar. CIR, CIRA and BFA are not affiliated. John Bodnar is an independent contractor of CIR.

John recommends clients implement recommendations through CIR or CIRA. If clients implement investment recommendations through CIR on a non-fee basis, John will receive a commission and if recommendations are implemented through CIRA, John will share in a portion of the advisory fee. Additionally, as further disclosed in the Disclosure Brochure under the section entitled Fees and Compensation, John receives trail compensation for investments directed through CIR. Therefore, there is a conflict of interest to cause a client to direct certain securities business through CIR. As such, he has an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products are not be suitable. Alternatively, he has an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if he deems that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest exists between his interests and your best interests.

Additionally, John is a licensed insurance agent. You are not obligated to purchase insurance or securities products through John. However, if you implement insurance recommendations through him, he will receive commissions. The insurance business is a minority of his business and the amount of income he receives from insurance business fluctuates depending on the amount of sales. You are advised there are other insurance products and services available through other insurance professionals at a lower cost than those products available through John.

It is important clients refer to the disclosures under Brokerage Practices in the Disclosure Brochure.

Approximately fifty (50%) of John's time is spent on sales related activities. Approximately fifty (50%) of John's time is attributable to advisory related matters.

John is not actively engaged in any other investment-related business or occupation. Further, he is not actively engaged in any other business or occupation for compensation. "Actively engaged" is deemed to mean the business activity represents more than 10 percent of his time and income.

Item 5 - Additional Compensation

Clients are advised the amount of commissions paid by CIR to John can fluctuate based on his overall production.

John receives an economic benefit from persons other than clients for providing advisory services. Many of the companies that provide him access to their products and programs provide opportunities to receive

additional compensation in the form of marketing and business reimbursements, business development support, payment for travel-related costs and expenses for attending business meetings and conferences, and various forms of gifts and entertainment. Additionally, CIR offers Rep one or more forms of financial benefits based on his gross revenue production. He has the opportunity to receive enhanced payouts, and discounts, waivers, or credits on transaction, platform, and account fees; technology fees; research package fees, financial planning software fees; administrative fees; brokerage account fees; account transfer fees; and the costs of attending conferences and events. He also has the opportunity to receive awards and attend certain paid CIR "top producer" trips and entertainment based upon his total gross revenue production. These enhanced payouts, discounts, trips, entertainment, and other forms of compensation that he has the opportunity to receive from CIR provide a financial incentive and a conflict of interest for him to select CIR as broker/dealer for your accounts.

Item 6 - Supervision

Since John Bodnar is the sole owner and the only Advisory Representative under BFA, he is responsible for supervision and oversight of his activities. John can be contacted at the number indicated on the cover page. John has established a code of ethics for his business and is a fiduciary charged with the responsibility to act in the client's best interest.

As a registered representative of CIR, John is subject to oversight by CIR over all his securities activities and certain outside business activities. Such oversight includes review of John's securities business to ensure he appears to be conducting suitable transactions.

Item 7 - Requirements for State-Registered Advisers

John Bodnar has not been involved in any arbitration claim or civil, self-regulatory organization, or administrative proceeding involving an investment or investment-related business or activity, fraud, false statement(s), or omissions, theft, embezzlement, or other wrongful taking of property, bribery, forgery, counterfeiting, or extortion, or dishonest, unfair, or unethical practices. Additionally, he has not been the subject of a bankruptcy petition.