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## HFM Investment Advisors, LLC

209 Rowan Blvd  
Glassboro, NJ 08028

### **Form ADV Part 2A – Firm Brochure**

(856) 232-2270

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

Dated January 29, 2018

This Brochure provides information about the qualifications and business practices of HFM Investment Advisors, LLC, “HFM”. If you have any questions about the contents of this Brochure, please contact us at (856) 232-2270. 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.

HFM Investment Advisors, LLC is registered as an Investment Adviser with the State of New Jersey. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about HFM is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 289103.

# Item 2: Material Changes

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Since the initial filing of the Form ADV Part 2A, dated October 11, 2017, there have been no material changes.

# Item 3: Table of Contents

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# Item 4: Advisory Business

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## **Description of Advisory Firm**

HFM Investment Advisors, LLC is registered as an Investment Adviser with the State of New Jersey and Commonwealth of Pennsylvania. We were founded in June 12, 2017. Michael P. Pallozzi and Jason F. Gabrieli are the principal owners of HFM. HFM does not engage in any discretionary management activities or provides ongoing continuing investment supervisory services. Because of this, HFM does not have assets under management.

## **Types of Advisory Services**

### **Investment Advisory Services**

We offer investment management services by referring clients, where appropriate, to third-party money managers (“Outside Managers”) for portfolio management services. These Outside Managers currently include, but not limited to, Matson Money, Inc., MorningStar Investment Services LLC, and Brinker Capital, Inc. We assist clients in selecting an appropriate allocation model, completing the Outside Manager’s investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager.

HFM refers clients to other investment advisers to manage their accounts. This situation creates a conflict of interest. However, when referring clients to another investment adviser, the client’s best interest and suitability of the other investment advisers will be the main determining factors of HFM. This relationship is disclosed to the client at the commencement of the advisory relationship. You are not obligated, contractually or otherwise, to use the services of any other investment advisers we recommend. Additionally, HFM will only recommend another investment adviser who is properly licensed or registered as an investment adviser in the state where the client resides.

Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure. This service may be terminated 30 calendar days written notice.

### **Financial Planning**

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. The key defining aspect of financial planning is that through the financial planning

process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

The client always has the right to decide whether or not to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to affect the transactions through anyone of their choosing. This service may be terminated 30 calendar days written notice.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement

goals.

- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Portfolio Analysis:** This is a service we offer which will look deeply into the holdings of a client's portfolio during analysis. It's an independent third-party analysis run through Matson Money's software using Morningstar's data program. At the completion of the analysis, the client receives a detailed report.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significantly adverse effect on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may affect your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Ongoing Financial Planning Support (Annual)**

Clients desiring an ongoing relationship after delivery of financial plan, we offer ongoing support for clients in the execution of their financial plan. These clients will also receive updates to their financial plans (as needed) and ongoing support with execution on their financial plan, via phone and emails. This service may be terminated 30 calendar days written notice.

### **Employer Sponsored Plan Advisory Services (“ESAS”)**

We offer non-discretionary pension consulting, as a 3(21) fiduciary, to plans and their trustees with respect to such matters as: (1) advising plan sponsor on mutual funds that may be appropriate for plan participants to choose as their funding vehicles; (2) monitoring performance of money managers and mutual funds and making recommendations for changes; (3) provide educational one-on-one meetings with plan participants and also group educational workshops; and (4) selecting other service providers, such as custodians, administrators and broker-dealers.

All plans to which we provide ESAS are regulated under the Employee Retirement Income Securities Act (“ERISA”). We will provide consulting services to the plan fiduciaries as described above. The plan fiduciary is free to seek independent advice about the appropriateness of any

recommended services for the plan. This service may be terminated 30 calendar days written notice.

## **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon a client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.

# **Item 5: Fees and Compensation**

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Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees and without penalty. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

## **Investment Advisory Services**

When HFM directs clients to Outside Managers, HFM will be compensated via a fee share from each of the advisors to which it directs clients. The fees shared will not exceed any limit imposed by any regulatory agency. The Outside Manager will debit the client's account for the advisory fee, and will remit HFM's portion of the fee to HFM. The standard advisory fee is based on the market value of the account and is calculated as follows:

<b>Account Value</b>	<b>Annual Advisory Fee</b>
<b>\$1 - \$499,999</b>	0.99%
<b>\$500,000 - \$999,999</b>	0.75%
<b>\$1,000,000 - \$2,999,999</b>	0.50%
<b>\$3,000,000 and Above</b>	0.25%

The annual fees are negotiable and are pro-rated and may be paid in advance or arrears on a quarterly basis, depending on Outside Manager selected. Please note, the above fee schedule does not include the Outside Manager's fee. The advisory fee is a blended fee and is calculated

by assessing the percentage rates using the predefined levels of assets as shown in the above chart, resulting in a combined weighted fee. For example, an account valued at \$2,000,000 would pay an effective fee of 0.68% with the annual fee of \$13,700.00. The quarterly fee is determined by the following calculation:  $((\$499,999 \times 0.99\%) + (\$499,999 \times 0.75\%) + (\$1,000,000 \times 0.50)) \div 4 = \$3,425.00$ . No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. Total client fees will not exceed 3.00% of assets under management.

Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice. In the event fees are paid in advance, upon termination of the account, any unearned fee will be refunded to the client on a prorated basis. If fees are paid in arrears, no rebate will be needed upon termination of the account.

### **Financial Planning Fixed Fee**

Financial Planning will generally be offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The fixed fee can range between \$500.00 and \$15,000.000. The fee is negotiable. If a fixed fee program is chosen, half of the fee is due at the beginning of process and the remainder is due at completion of work, however, HFM will not bill an amount above \$500.00 more than 6 months in advance. At the discretion of HFM, clients may pay the amount in monthly or quarterly installments. In the event of early termination, the client will be billed for the hours worked at a rate of \$200.00 per hour. If the initial deposit is greater than the amount billed, then the client will be refunded the difference. If the initial deposit is less, then the client will be billed the difference. Clients may pay by check, PayPal, or another third party payment processor.

### **Employer Sponsored Plan Advisory Services (“ESAS”) Fee**

The type and amount of the fees charged to the client, subject to negotiation, will be based on the market value of the plan assets, and can range from 0.10% to 0.99% depending on plan size, number of participants, and scope of service.

Fees are billed in arrears, on either a monthly or quarterly basis. Advisory fees are directly debited from plan assets by the plan’s administrator. Accounts initiated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with no advance notice. Since fees are paid in arrears, no rebate will be needed upon termination of the account, however a pro-rated fee will be due for accounts terminated during the billing period.

## Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund 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 our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

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We do not offer performance-based fees.

## Item 7: Types of Clients

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We provide financial planning and portfolio management services to individuals, high net-worth individuals and pension and profit sharing plans.

With respect to advisory clients that are accounts regulated under the Employee Retirement Income and Security Act ("ERISA") or individual retirement accounts ("IRAs"), we provide general investment advice about the merits and risks of several investment alternatives. We have no discretionary authority or control, whatsoever, with respect to ERISA or IRA accounts. The named Plan fiduciary must make the investment decision about the purchase of any products based on his/her understanding of the Plan's needs and objectives, and we are in no way responsible for any investment decisions. The Plan fiduciary is free to seek independent advice about the appropriateness of any investment for the Plan.

We do not have a minimum account size requirement.

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

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As discussed in Item 4 above, we refer clients to Outside Managers. Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers 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 monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory, or reputational deficiencies.

## Material Risks Involved

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

**Outside Managers.** Clients should review Item 8 of the Outside Manager's Form ADV Part 2A for applicable risks associated with their investment strategy.

# **Item 9: Disciplinary Information**

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## **Criminal or Civil Actions**

HFM and its management have not been involved in any criminal or civil action.

## **Administrative Enforcement Proceedings**

HFM and its management have not been involved in administrative enforcement proceedings.

## **Self-Regulatory Organization Enforcement Proceedings**

HFM and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of HFM or the integrity of its management.

# Item 10: Other Financial Industry Activities and Affiliations

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Michael Pallozzi and Jason Gabrieli are licensed as investment adviser representatives of HFM Investment Advisors, Inc., a registered investment adviser. As such, in their separate capacity as investment adviser representatives, are able to provide advisory services apart from HFM, for which they will receive separate and customary compensation. While HFM endeavors at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of outside compensation itself creates a conflict of interest, and may affect their judgment when making recommendations.

No HFM employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No HFM employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Michael Pallozzi is an insurance agent and may engage in insurance product sales with our clients, for which he will receive additional compensation. Any commissions received through insurance sales do not offset advisory fees the client may pay for advisory services under HFM.

## **Recommendations or Selections of Other Investment Advisers**

HFM refers clients to other investment advisers to manage their accounts. This situation creates a conflict of interest. However, when referring clients to another investment adviser, the client's best interest and suitability of the other investment advisers will be the main determining factors of HFM. This relationship is disclosed to the client at the commencement of the advisory relationship. You are not obligated, contractually or otherwise, to use the services of any other investment advisers we recommend. Additionally, HFM will only recommend another investment adviser who is properly licensed or registered as an investment adviser in the state where the client resides.

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

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As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of copy of its Code of Ethics to any client or prospective client upon request.

## **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

## **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Since we recommend outside managers to our clients, our firm and its “related persons” do not recommend specific securities to clients.

## **Trading Securities at/Around the Same Time as Client’s Securities**

Because our firm and its “related persons” do not invest in the same securities, or related securities, e.g., warrants, options or futures, which we recommend to clients, we do not trade in securities at or around the same time as clients.

# **Item 12: Brokerage Practices**

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## **Factors Used to Select Custodians and/or Broker-Dealers**

HFM Investment Advisors, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to client based on their need for such services and the Outside Manager providing investment advisory services. We recommend custodians based on the reputation and services provided by the firm.

### **1. Research and Other Soft-Dollar Benefits**

We currently do not receive soft dollar benefits.

### **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **3. Clients Directing Which Broker/Dealer/Custodian to Use**

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction and this may cost clients’ money over using a lower-cost custodian.

## Aggregating (Block) Trading for Multiple Client Accounts

Outside Managers used by HFM may block client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

## Item 13: Review of Accounts

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Client accounts with the Investment Management Service will be reviewed regularly on at least an annual basis by Michael P. Pallozzi, President, CEO and CCO. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

HFM will not provide regular account statements or performance reports to Investment Management clients.

## Item 14: Client Referrals and Other Compensation

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Pursuant to SEC Regulation Section 275.206.40-3, and applicable state laws, we have entered into "solicitor arrangements" with other registered investment advisers, who we refer to as Outside Managers in this Form ADV Part 2. At the time of solicitation, the prospective client is given full disclosure of the solicitation arrangement and the nature of the relationship between us and the other investment adviser.

## Item 15: Custody

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HFM does not accept custody of client funds and does not directly debit its advisory fee.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to

carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you.

## Item 16: Investment Discretion

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We use Outside Managers for investment management, and therefore do not exercise discretion.

## Item 17: Voting Client Securities

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We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

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Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

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## Michael P. Pallozzi

Born: 1966

### Educational Background

- 1989 – Bachelor of Arts, Rutgers University

### Business Experience

- 06/2017 – Present, HFM Investment Advisors, LLC, President, CEO and CCO
- 01/2004 – Present, HFM Investment Advisors, Inc., President
- 03/1989 – 10/2014, MML Investor Services, LLC, Broker/ Dealer
- 01/1989 – 07/2014, Mass Mutual Life Insurance, Registered Representative

### Professional Designations, Licensing & Exams

**Accredited Estate Planner (AEP):** This designation is a graduate level specialization in estate planning, obtained in addition to already recognized professional credentials within the various disciplines of estate planning. It is awarded by the National Association of Estate Planners and Councils (NAEPC) to recognize estate planning professionals who meet stringent requirements of experience, knowledge, education, professional reputation, and character.

AEP® applicants are required to be members of, and continuously maintain membership in, an affiliated local or regional estate planning council where such membership is available. The applicant must sign a declaration statement to continuously abide by the NAEPC Code of Ethics. The applicant must satisfy a minimum of thirty (30) hours of continuing education during the previous twenty-four (24) months, of which at least fifteen (15) hours MUST have been in estate planning. Applicants may be requested to produce documentation to substantiate any activity claimed.

**Chartered Life Underwriter (CLU):** This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners,

income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

**Chartered Financial Consultant (ChFC):** This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

## **Jason F. Gabrieli, CFP®**

Born: 1986

### **Educational Background**

- 2009 – Bachelor of Science, Finance, University of Maryland College Park

### **Business Experience**

- 06/2017 – Present, HFM Investment Advisors, LLC, Vice President
- 09/2014 – Present, HFM Investment Advisors, Inc., Associate Wealth Advisor
- 04/2011 – Present, Events By GM LLC, Partner
- 07/2009 – 02/2014, MML Investors Services, Inc., Registered Representative
- 06/2008 – 02/2014, MassMutual Life Insurance Co., Licensed Sales Assistant
- 06/2001 – 04/2012, Steve and Company Productions, DJ

### **Professional Designations, Licensing & Exams**

**CFP (Certified Financial Planner) ®:** CFP® certificants must have a minimum of three years' workplace experience in financial planning and develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study approved by CFP Board. They must pass a comprehensive 2-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct.

## **Other Business Activities**

Michael Pallozzi and Jason Gabrieli are licensed as investment adviser representatives of HFM Investment Advisors, Inc., a registered investment adviser. As such, in their separate capacity as investment adviser representatives, are able to provide advisory services apart from HFM, for which they will receive separate and customary compensation. While HFM endeavors at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of outside compensation itself creates a conflict of interest, and may affect their judgment when making recommendations.

Michael Pallozzi is an insurance agent and may engage in insurance product sales with our clients, for which he will receive additional compensation. Any commissions received through insurance sales do not offset advisory fees the client may pay for advisory services under HFM.

## **Performance Based Fees**

HFM is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

No management person at HFM Investment Advisors, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## **Material Relationships That Management Persons Have with Issuers of Securities**

HFM Investment Advisors, LLC, nor Michael P. Pallozzi, have any relationship or arrangement with issuers of securities.

## HFM Investment Advisors, LLC

209 Rowan Blvd  
Glassboro, NJ 08028  
(856) 232-2270

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

Dated January 29, 2018

### Form ADV Part 2B – Brochure Supplement

*For*

#### **Michael P. Pallozzi**

President, CEO, and Chief Compliance Officer

This brochure supplement provides information about Michael P. Pallozzi that supplements the HFM Investment Advisors, LLC (“HFM”) brochure. A copy of that brochure precedes this supplement. Please contact Michael P. Pallozzi if the HFM brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Michael P. Pallozzi is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 19366915692911.

# Item 2: Educational Background and Business Experience

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## Michael P. Pallozzi

Born: 1966

### Educational Background

- 1989 – Bachelors of Arts, Rutgers University

### Business Experience

- 01/2004 – Present, HFM Investment Advisors, LLC, President, CEO and CCO
- 01/2004 – Present, HFM Investment Advisors, Inc., President
- 03/1989 – 10/2014, MML Investor Services, LLC, Broker/ Dealer
- 01/1989 – 07/2014, Mass Mutual Life Insurance, Registered Representative

### Professional Designations, Licensing & Exams

**Accredited Estate Planner (AEP):** This designation is a graduate level specialization in estate planning, obtained in addition to already recognized professional credentials within the various disciplines of estate planning. It is awarded by the National Association of Estate Planners and Councils (NAEPC) to recognize estate planning professionals who meet stringent requirements of experience, knowledge, education, professional reputation, and character.

AEP® applicants are required to be members of, and continuously maintain membership in, an affiliated local or regional estate planning council where such membership is available. The applicant must sign a declaration statement to continuously abide by the NAEPC Code of Ethics. The applicant must satisfy a minimum of thirty (30) hours of continuing education during the previous twenty-four (24) months, of which at least fifteen (15) hours MUST have been in estate planning. Applicants may be requested to produce documentation to substantiate any activity claimed.

**Chartered Life Underwriter (CLU):** This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners,

income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

**Chartered Financial Consultant (ChFC):** This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

## Item 3: Disciplinary Information

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No management person at HFM Investment Advisors, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

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Michael Pallozzi is licensed as investment adviser representatives of HFM Investment Advisors, Inc., a registered investment adviser. As such, in his separate capacity as investment adviser representatives, are able to provide advisory services apart from HFM, for which they will receive separate and customary compensation. While HFM endeavors at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of outside compensation itself creates a conflict of interest, and may affect the judgment when making recommendations.

Michael Pallozzi is an insurance agent and may engage in insurance product sales with our clients, for which he will receive additional compensation. Any commissions received through insurance sales do not offset advisory fees the client may pay for advisory services under HFM.

## Item 5: Additional Compensation

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As described in Item 14 of the Form ADV Part 2A, pursuant to SEC Regulation Section 275.206.40-3, and applicable state laws, we have entered into "solicitor arrangements" with

other registered investment advisers, who we refer to as Outside Managers in this Form ADV Part 2. At the time of solicitation, the prospective client is given full disclosure of the solicitation arrangement and the nature of the relationship between us and the other investment adviser.

## Item 6: Supervision

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Michael P. Pallozzi, as President, CEO and Chief Compliance Officer of HFM, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

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Michael Pallozzi has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

## HFM Investment Advisors, LLC

209 Rowan Blvd  
Glassboro, NJ 08028  
(856) 232-2270

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

Dated January 29, 2018

### Form ADV Part 2B – Brochure Supplement

*For*

**Jason F. Gabrieli, CFP®**

Vice President

This brochure supplement provides information about Jason F. Gabrieli that supplements the HFM Investment Advisors, LLC (“HFM”) brochure. A copy of that brochure precedes this supplement. Please contact Jason F. Gabrieli if the HFM brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Jason F. Gabrieli is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 5692911.

# Item 2: Educational Background and Business Experience

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**Jason F. Gabrieli, CFP®**

Born: 1986

## **Educational Background**

- 2009 – Bachelor of Science, Finance, University of Maryland College Park

## **Business Experience**

- 06/2017 – Present, HFM Investment Advisors, LLC, Vice President
- 09/2014 – Present, HFM Investment Advisors, Inc., Associate Wealth Advisor
- 04/2011 – Present, Events By GM LLC, Partner
- 07/2009 – 02/2014, MML Investors Services, Inc., Registered Representative
- 06/2008 – 02/2014, MassMutual Life Insurance Co., Licensed Sales Assistant
- 06/2001 – 04/2012, Steve and Company Productions, DJ

## **Professional Designations, Licensing & Exams**

**CFP (Certified Financial Planner) ®:** CFP® certificants must have a minimum of three years' workplace experience in financial planning and develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study approved by CFP Board. They must pass a comprehensive 2-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct.

# Item 3: Disciplinary Information

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No management person at HFM Investment Advisors, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

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Jason Gabrieli is licensed as investment adviser representatives of HFM Investment Advisors, Inc., a registered investment adviser. As such, in his separate capacity as investment adviser representatives, are able to provide advisory services apart from HFM, for which they will receive separate and customary compensation. While HFM endeavors at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of outside compensation itself creates a conflict of interest, and may affect his judgment when making recommendations.

## Item 5: Additional Compensation

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As described in Item 14 of the Form ADV Part 2A, pursuant to SEC Regulation Section 275.206.40-3, and applicable state laws, we have entered into “solicitor arrangements” with other registered investment advisers, who we refer to as Outside Managers in this Form ADV Part 2. At the time of solicitation, the prospective client is given full disclosure of the solicitation arrangement and the nature of the relationship between us and the other investment adviser.

## Item 6: Supervision

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Michael P. Pallozzi, as President, CEO and Chief Compliance Officer of HFM, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

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Jason F. Gabrieli has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.