

**The David J. Yvars Group, Inc.**  
**Form ADV, Part II and Schedule F**  
**Disclosure Document**  
**February 2007**

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL	
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Name of Investment Adviser: <b>The David J. Yvars Group, Inc.</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
400 Columbus Avenue	Valhalla	NY	10595	914-741-9700

This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instructions below.)

**Applicant:**

- |                                     |     |   |            |   |
|-------------------------------------|-----|---|------------|---|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services . . . . .  | <u>100</u> | % |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services . . . . .  | _____      | % |
| <input type="checkbox"/>            | (3) | Furnishes investment advice through consultations not included in either service described above . . . . .  | _____      | % |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription . . . . .   | _____      | % |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above . . . . .   | _____      | % |
| <input type="checkbox"/>            | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities . . . . . | _____      | % |
| <input checked="" type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .   | <u>0</u>   | % |
| <input type="checkbox"/>            | (8) | Provides a timing service . . . . .   | _____      | % |
| <input type="checkbox"/>            | (9) | Furnishes advice about securities in any manner not described above . . . . .   | _____      | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- B. Does applicant call any of the services it checked above financial planning or some similar term? . . . . . Yes  No

C. Applicant offers investment advisory services for: (check all that apply)

- |                                     |     |  |                          |     |                   |
|-------------------------------------|-----|--|--------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management      | <input type="checkbox"/> | (4) | Subscription fees |
| <input type="checkbox"/>            | (2) | Hourly charges                               | <input type="checkbox"/> | (5) | Commissions       |
| <input type="checkbox"/>            | (3) | Fixed Fees (not including subscription fees) | <input type="checkbox"/> | (6) | Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of clients** - Applicant generally provides investment advice to: (check those that apply)

- |                                     |    |                                  |                                     |    |   |
|-------------------------------------|----|----------------------------------|-------------------------------------|----|---|
| <input checked="" type="checkbox"/> | A. | Individuals                      | <input checked="" type="checkbox"/> | E. | Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/>            | B. | Banks or thrift institutions     | <input checked="" type="checkbox"/> | F. | Corporations or business entities other than those listed above |
| <input type="checkbox"/>            | C. | Investment companies             | <input type="checkbox"/>            | G. | Other (describe on Schedule F)                                  |
| <input checked="" type="checkbox"/> | D. | Pension and profit sharing plans |                                     |    |   |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities                                       | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities                             | I. Options contracts on:   |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter                     | <input checked="" type="checkbox"/> (1) securities                         |
| <input checked="" type="checkbox"/> (3) foreign issuers  | <input checked="" type="checkbox"/> (2) commodities                        |
| <input checked="" type="checkbox"/> B. Warrants  | J. Futures contracts on:   |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles                                     |
| <input checked="" type="checkbox"/> D. Commercial paper  | <input type="checkbox"/> (2) intangibles                                   |
| <input checked="" type="checkbox"/> E. Certificates of deposit                                 | K. Interests in partnerships investing in:                                 |
| <input checked="" type="checkbox"/> F. Municipal securities                                    | <input checked="" type="checkbox"/> (1) real estate                        |
| G. Investment company securities:  | <input checked="" type="checkbox"/> (2) oil and gas interests              |
| <input checked="" type="checkbox"/> (1) variable life insurance                                | <input checked="" type="checkbox"/> (3) other (explain on Schedule F)      |
| <input checked="" type="checkbox"/> (2) variable annuities                                     | <input type="checkbox"/> L. Other (explain on Schedule F)                  |
| <input checked="" type="checkbox"/> (3) mutual fund shares                                     |  |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |  |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting    | (4) <input checked="" type="checkbox"/> Cyclical           |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical   |  |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input checked="" type="checkbox"/> Timing services   |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)  |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |  |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions  |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input checked="" type="checkbox"/> Short sales  |  |

**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? . . . . .  Yes  No  
(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
  - (1) broker-dealer
  - (2) investment company
  - (3) other investment adviser
  - (4) financial planning firm
  - (5) commodity pool operator, commodity trading advisor or futures commission merchant
  - (6) banking or thrift institution
  - (7) accounting firm
  - (8) law firm
  - (9) insurance company or agency
  - (10) pension consultant
  - (11) real estate broker or dealer
  - (12) entity that creates or packages limited partnerships

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?  Yes  No

(If yes, describe on Schedule F the partnerships and what they invest in.)

**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe on Schedule F, your code of ethic, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

**10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account? .....

Yes  No

(If yes, describe on Schedule F)

**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**See Schedule F**

B. Describe below the nature and frequency of regular reports to clients on their accounts.

**See Schedule F**

**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Yes                                 | No                                  |
| (1) securities to be bought or sold? .....               | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? .....  Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                                     |                          |
|---|-------------------------------------|--------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                                 | No                       |
|   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                                 | No                       |
|   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? .....  Yes  No

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Item 1D**

**ADVISORY SERVICES AND FEES**

The David J. Yvars Group, Inc. (DJY or the Firm) is an investment adviser. DJY provides asset management services as well as financial planning services to individuals, pension and profit sharing plans, trusts, estates and corporations, as described below.

**Portfolio Management Services**

DJY generally manages portfolios on a discretionary basis, although some portfolios may be non-discretionary. DJY's philosophy centers on customized, structured portfolios, tailored to each client's individual risk tolerance. DJY gathers information about client goals and objectives through personal interviews. Client risk profiles are dynamic and reviewed regularly. Asset allocation mix may fluctuate and vary depending on DJY's recommendations and market conditions.

DJY may provide a detailed financial plan consistent with a client's financial status, investment objectives and constraints, risk tolerance and tax status. The financial plan may include the following areas of concern: personal, retirement, investments, tax and cash flow, and death and disability. The financial plan may also include generic recommendations as to general types of investment products or specific securities that may be appropriate for the client to purchase given his or her financial situation and objectives.

**Fees for Portfolio Management Services**

For portfolio management services, the client will pay the annualized fees described below.

Portfolio Value	Equity/Balanced	Fixed Income
First \$500,000	3.00%	1.25%
Next \$500,000	2.20%	1.10%
Next \$4,000,000	1.60%	1.00%
Above \$5,000,000	1.40%	0.80%

The fee will be due and payable quarterly in advance on the market value of the account assets including cash under management as of the close of business on the last business day of the preceding quarter. The fee will be payable when the account is established, pro-rated for the first partial quarter, if any. If an account is closed, any fees collected but unearned after the date of written notice will be refunded.

DJY may, at its discretion, absorb some or all of the transaction fees (including postage) related to a client account.

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**General Information on Fees**

DJY's fees may be negotiable based on various criteria, including, but not limited to the size of the aggregate related party portfolio size and pre-existing relationships with clients. Compensation will ultimately be based on the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

Fees are not charged based on the capital gains or the capital appreciation of any funds or any part of any funds of any client in a manner prohibited by the Investment Advisers Act of 1940 (Advisors Act).

Advisory fees charged by DJY are separate and distinct from advisory fees and expenses charged by mutual funds in which client assets may be invested. A complete description of these fees and expenses may be found in each mutual fund prospectus.

In addition to DJY account fees clients may also incur certain charges imposed by third-parties which may include the following: mutual fund or money market 12b-1 and sub transfer fees; fund or money market management fees and administrative expenses; mutual fund transaction fees; certain deferred sales charges on previously purchased mutual funds transferred into the account; IRA and qualified retirement plan fees and other charges required by law; and trade transaction fees or ticket fees, and other fees levied by brokers or custodians.

Apart from the personal client service provided directly by DJY, services identical to DJY's may be provided by other investment advisers for fees that may be greater than or less than the fees charged by DJY.

**Proxy Voting**

DJY acts as a discretionary investment adviser for various clients, including clients governed by the Employee Retirement Income Security Act of 1974 (ERISA).

Upon execution of the Client Agreement, the Client elects to:

Assign the responsibility for voting all proxies solicited by issuers of securities held in the Account to the DJY, or retain the responsibility for voting all proxies solicited by issuers of securities held in the Account. Under this option, DJY neither votes proxies for clients, nor provide advice to clients about how to vote proxies. The custodian sends proxies directly to clients for voting.

When the responsibility to vote proxies has been assigned to DJY, the firm's utmost concern is that all decisions be made solely in the best interest of the client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). DJY will act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's account.

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Procedures**

The chief compliance officer, Mr. Yvars, is ultimately responsible for ensuring that all proxies received by DJY are voted in a timely manner and in a manner consistent with DJY's determination of the client's best interests. Although many proxy proposals can be voted in accordance with DJY's established guidelines, DJY recognizes that some proposals require special consideration, which may dictate that DJY makes an exception to the Guidelines. Such exceptions will be noted and kept on file in accordance with Advisers Act Rule 204-2.

**Information**

DJY will provide clients with information about how proxies were voted upon written request to the Compliance Officer, Mr. Yvars.

**Custody**

With the exception of the ability to debit client accounts for fees, DJY does not and will not have custody of clients' funds or securities.

Client assets shall be held in the custody of a bank, trust company or brokerage firm agreed upon by the Client and DJY. The Investment Management Agreement signed by the Client authorizes DJY to debit fees directly from the Client's account at the custodian.

DJY sends custodian a spreadsheet that states the amount of the fee for each client, the value of the client's assets on which the fee was based, and the specific manner in which the fee was calculated. The custodian is advised in writing of the limitation of DJY's access to the account. The custodian will also send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to DJY.

Though DJY will assist the Client in establishing and maintaining accounts at the custodian, DJY shall have no responsibility or liability with respect to custodial arrangements or the acts, omissions or other conduct of the custodian.

**Termination**

A client agreement may be canceled at any time by either party, for any reason upon written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded and any earned, unpaid fees will be due and payable.

The client may terminate any agreement with DJY without penalty (full refund or no fees due) within 5 business days of signing the Agreement if DJY's ADV Part II was not delivered at least 48 hours prior to engagement.

**Privacy of Client Information**

DJY provides a Privacy Notice to each client at the time of engaging DJY's services, and annually thereafter. The Privacy Notice discloses the type of information DJY collects regarding a client, any third party DJY may share information with and safeguards over client privacy.

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Item 5  
EDUCATIONAL AND BUSINESS STANDARDS**

DJY requires that each investment adviser representative have a college degree and/or equivalent professional experience. Individuals must be properly licensed and registered, unless exempted, in states in which such individuals are conducting investment advisory business. Prior related business experience is also a consideration in determining the qualifications of advisor personnel.

**Item 6  
EDUCATION AND BUSINESS BACKGROUND**

**David J. Yvars** *Born 1959*

**Business Background:**

David J. Yvars Group, Inc. 2004 – Present  
Chief Executive Officer, Senior Portfolio Manager and Chief Compliance Officer

UBS Financial Services 2001 – 2004  
Senior Portfolio Manager

Salomon Smith Barney 1981 – 2001  
Senior Portfolio Management Director

**Education Background:**

University of Tampa BS Business Management

**Deano A. Passariello** *Born 1962*

**Business Background:**

David J. Yvars Group, Inc. 2004 – Present  
Managing Director / Executive Vice President – Client Development

UBS Financial Services 2001 – 2004  
Senior Registered Client Service Associate

Salomon Smith Barney 1993 – 2001  
Client Service Associate

**Education Background:**

Mercy College

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Mary Jo Nardone**

*Born 1973*

**Business Background:**

David J. Yvars Group, Inc.  
Chief Operating Officer

2004 – Present

UBS Financial Services  
Senior Registered Client Service Associate

1996 – 2004

**Education Background:**

Iona College

BS Business Administration

**Joseph D. Lee**

*Born 1979*

**Business Background:**

David J. Yvars Group, Inc.  
Vice President - Financial Advisor

2004 – Present

UBS Financial Services  
Financial Advisor

2001 – 2004

New York Yankees  
Clubhouse Attendant

1995 – Present

**Education Background:**

Fordham University

BS Finance

**Item 7B and C**

**OTHER BUSINESS ACTIVITIES**

**Real Estate**

Occasionally, Mr. Yvars makes personal investments in real estate. Among other investments, he currently owns (as joint tenant in common) with a friend and client an income producing commercial rental property and an income producing private mortgage. Mr. Yvars devotes no more than 1% of his time on this activity.

**Insurance**

Mr. Yvars and Ms. Nardone are licensed and registered with the insurance department of the State of New York. They may enter into agreements with various insurance companies to provide fixed annuities and life insurance (including whole and term) policies; they will not receive any commission compensation from the insurance companies. They expect to devote no more than 1% of their time to the insurance activities described above.

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Item 9E**

**PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

DJY and its associated persons may buy or sell securities identical to those recommended to customers for their personal accounts. DJY employees must comply with a Code of Ethics and Statement for Insider Trading. The Code contains provisions reasonably necessary to deter misconduct and conflicts of interest and to detect any violation. The Code's key provisions include:

- Statement of General Principles
- Policy on Personal Securities Transactions, including
  - o Preclearance on IPO's and Private Placements
  - o Procedures for Reporting Personal Securities Transactions and Holdings
- Code of Conduct
- Annual Acknowledgements

DJY will provide a copy of its Code of Ethics to any client or prospective client upon request.

**Item 10**

**CONDITIONS FOR MANAGING ACCOUNTS**

The minimum account size is \$500,000. Waivers or exceptions from minimum fee requirements may be granted at the exclusive discretion of Mr. Yvars.

**Item 11A**

**REVIEW OF ACCOUNTS**

The day-to-day supervision of the accounts is the responsibility of Mr. Yvars. Each investment account is reviewed at least quarterly. Financial planning accounts are reviewed at least annually. Factors that may trigger more frequent reviews include material market events or changes in a client's personal situation. In addition, each client account is reviewed periodically for compliance with the investment policies, suitability of investments and client investment objectives. Other factors that would trigger a more frequent review are material market events or changes in a client's personal situation.

**Item 11B**

**REVIEW OF ACCOUNTS**

Clients receive monthly statements and periodic confirmations from their broker/dealers, mutual fund companies and/or custodians, as applicable.

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Item 12A (1) and (2)**

**INVESTMENT OR BROKERAGE DISCRETION**

DJY generally has the authority to act on a discretionary basis on behalf of clients. When such authority exists between the client and DJY, DJY may choose both the amount and type of publicly traded securities to be bought to satisfy account objectives. This is the case with most of DJY's clients. Additionally, DJY accepts any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on account must be presented to DJY in writing.

**Brokerage Selection and Commissions**

Clients are free to select any broker they wish, and are so informed. DJY generally recommends Raymond James Financial Services (RJFS); however, the client will ultimately be responsible for selection of the financial institution. The primary factors considered in DJY's decision to recommend RJFS include financial strength and the quality of the products and services it offers to clients. Specific products and services include quality execution services, consolidated reporting of all assets and Internet access to client accounts. Additionally, DJY receives client information electronically in order to facilitate its review of client accounts.

When a client selects RJFS, commission rates will be the lowest rate available to DJY based on its volume of activity with RJFS; however, commissions may be charged which are higher or lower than commission rates at these firms other broker/dealers. DJY monitors RJFS's best execution policies on a regular basis to ensure clients continue to receive high quality executions. DJY and its principals and advisor representatives do not share in any of the commissions, transaction fees or service fees that may be received by RJFS.

A client may select a broker other than RJFS if, for example, the client will be receiving investment management consulting services from such Specified Broker where a client directs DJY to effect all transactions for the client's account through a Specified Broker, DJY does not negotiate brokerage commissions with respect to transactions executed by the Specified Broker for the client's account.

Rather, the client and the Specified Broker agree on the commission rate that the Specified Broker will charge for transactions effected for the amount.

As a result, and depending upon (a) the client's arrangement with the Specified Broker, (b) such factors as the number of securities, instruments or obligations being bought or sold for the client, whether round or odd lots are being acquired for the client and the market for the security, instrument or obligation, and (c) the fact that the client will be foregoing any benefit from savings on execution costs that DJY could obtain for its clients through negotiating volume commission discounts on batched transactions, the client may pay higher commissions than those paid by DJY's clients who have not directed DJY to execute transactions through a specified broker or dealer.

In addition, the client may not receive the lowest available price with respect to certain transactions effected for the client's account. In its investment management contracts with clients who have

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

directed DJY to execute transactions through a Specified Broker, DJY generally requires the client to acknowledge the potential for such conflicts of interest. With full disclosure, DJY believes that no conflict of interest that is detrimental to the client will result, since through full disclosure, the clients will have the opportunity to determine what is in their best interests.

**Trade Allocations**

Bunching trade orders in a block with other clients is permissible provided that no client is favored over any other client. DJY has adopted the following allocation policy and procedures for bunching advisory clients' trade orders:

1. Orders will not be aggregated unless aggregation is consistent with DJY's best execution duty and the applicable advisory agreements;
2. No advisory account will be favored over any other account;
3. Before entering an aggregated order, a written summary of the allocation will be made in connection with that order;
4. Orders will be allocated on a basis different from the allocation summary only if all clients receive fair treatment and the reason for the different allocation is approved by the firm's principals;
5. Books and records will reflect separately for each account the securities held, bought, and sold; and
6. No additional compensation or remuneration of any kind will be received by DJY as a result of the allocation procedure.

**Item 12B**

**INVESTMENT OR BROKERAGE DISCRETION**

DJY does not have any formal soft dollar arrangements.

While DJY may at times recommend brokers, the client may direct DJY in writing to use a particular broker or dealer to execute transactions for client's account, of which the client will negotiate terms and arrangements with that broker or dealer. DJY will not seek better execution services or prices from other brokers or dealers and as a result, client could pay higher commissions, other transaction costs, greater spreads, or receive less favorable net prices on transactions for client's account than would otherwise be the case.

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>The David J. Yvars Group, Inc.</b>	SEC File Number: <b>801 – 63040</b>	Date: <b>02/14/2007</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>The David J. Yvars Group, Inc.</b>		IRS Empl. Ident. No.: <b>20-3936483</b>
Item of Form (identify)	Answer	

**Item 13A**

**ADDITIONAL COMPENSATION**

DJY clients use RJFS for all or substantially all of their brokerage transactions. In addition to brokerage services, RJFS provides DJY's clients with valuable custodial, and recordkeeping. DJY may have the opportunity to receive traditional "non-cash benefits" from RJFS such as customized statements; receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk servicing RJFS Advisors exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; access to mutual funds which generally require significantly high minimum initial investments or those that are otherwise only generally available to institutional investors; reporting features; receipt of industry communications; and perhaps discounts on business-related products. RJFS may also provide general access to research and perhaps discounts on research products. Any research received is used for the benefit of all clients.

Periodically, DJY reviews its brokerage relationship with RJFS to ensure that it is fulfilling its fiduciary duty to seek best execution on client transactions. Since DJY provides asset allocation services to advisory clients, the rebalancing of clients' investment portfolios occurs on a regular basis. As a result of such rebalancing, DJY clients may execute odd lot transactions, which could generate higher transaction fees.

DJY has no written or verbal arrangements whereby it receives soft dollars. While DJY endeavors at all times to put the interest of the clients first as part of its fiduciary duty, clients should be aware that the receipt of any additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Also see answers to Item 12A and 12B "INVESTMENT OR BROKERAGE DISCRETION" above.

**Item 13B**

**ADDITIONAL COMPENSATION**

DJY may enter into written arrangements to pay cash referral fees to individuals or companies ("Solicitors") who recommend prospective clients to the Firm. In these cases, there will be a written agreement between DJY and the Solicitor, which clearly defines the duties and responsibilities of the solicitor under this arrangement. In addition, each Solicitor is required to provide a written disclosure document, which explains to the prospective client the terms under which the Solicitor is working with the Firm and the fact that the Solicitor is being compensated for the referral activities. The Solicitor is also required to furnish a copy of the Firm's written disclosure document (Form ADV Part II and this Schedule F) to the prospective client and obtain a written acknowledgement from the client that both the Solicitor's and DJY's disclosure documents have been received.

***(End of Schedule F)***