

# David Margulies

XML Financial Group  
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**This document provides information about David Margulies that supplements the XML Financial Group (XML) ADV 2A Brochure and Wrap Fee Program Brochure (Brochures). If you were not provided with a Brochure or if you have questions about the content of this supplement please contact Compliance at [info@xmlfg.com](mailto:info@xmlfg.com) or 703.827.2300. The Brochures and additional information about XML and David Margulies are available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).**

## ITEM 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

David graduated in 1985 with a Bachelor of Arts in History and Associates in Arts in Judaic Studies from Yeshiva University. David joined XML Financial Group in 2019 as a Wealth Advisor. Since 2017, David has been a registered representative with the affiliated broker-dealer, XML Securities, LLC, member FINRA/SIPC ("XML BD"). Previously, David was a Senior Vice President, Financial Advisor at Morgan Stanley.

## ITEM 3 DISCIPLINARY INFORMATION - None

## ITEM 4 OTHER BUSINESS ACTIVITIES

**BROKER AGENT:** David is a registered representative with XML BD. This enables him to effect securities transactions for a commission in his capacity as a broker agent. He is able to offer brokerage services to both clients and non-clients of XML. When acting in the capacity as a broker agent, he will receive compensation based on the sale of securities and brokerage products including, but not limited to, mutual fund share classes that pay sale charges and distribution or service ("trail") fees, transaction commissions, markup and markdowns on principal trades in bonds and other compensation as detailed in the Reg BI Disclosure document. This creates a conflict of interest as there is an inherent incentive to recommend brokerage products and effect transactions based on the broker agent's J16 compensation. Please discuss any questions regarding brokerage compensation and the related conflicts of interest with this professional. Visit <https://www.xmlfg.com/brokerage-services/> to view the Reg BI Disclosure and additional disclosures and policies.

**INSURANCE AGENT:** David is also a licensed insurance agent. He is able to offer insurance products through XML BD, which is also an insurance agency, or through an unaffiliated insurance agency. He is able to offer these services to clients and non-clients of XML. An insurance agent will receive a commission on insurance products sold in accordance with the product's respective commission schedule. The commission schedules typically allow for varied methods of commission payouts. The insurance commissions compensation received is separate from and in addition to the compensation he receives in his capacity in providing investment advisory services through XML or securities transactions with the affiliated broker-dealer. This creates a conflict of interest as there is an inherent incentive to recommend insurance products based on the compensation rather than the client's need. The affiliated insurance agency will receive a portion of the insurance commission. This creates a conflict of interest as there is an incentive for business to be placed under XML BD versus another agency where it will not receive compensation. The agents must meet training criteria and suitability standards which are reviewed as part of the agency's application review process. Please discuss any questions regarding insurance products, the compensation and conflicts of interest with this professional.

## ITEM 5 ADDITIONAL COMPENSATION

Transition, Retention and Growth Earn-Out payments from Focus Financial Partners, LLC per agreement, based on reaching revenue thresholds.

**ITEM 6 SUPERVISION** XML's investment advisor supervisory system includes, but is not limited to, principal approval of advisory agreements and amendments, email sample review, outside account review and trade monitoring. This individual's designated supervisor is Brett Bernstein, CFP®, CEO at 301.770.5234.