

Part 2A of Form ADV: Firm Brochure and Supplement

Item 1 Cover Page

**EGI FINANCIAL, INC.
Investment Advisory Firm
FIRM BROCHURE AND SUPPLEMENT
March 25, 2011**

This *Brochure* fulfills requirements of SEC Form ADV, Part 2A.

This *Brochure* is a description of **EGI Financial, Inc.** (EGI) and its investment advisory business. It discloses all material information about the Firm and its business, it identifies any material changes in the Firm's business since the last ADV part II filing and it discloses any real or potential conflicts of interest that may exist in our business.

This brochure provides information about the qualifications and business practices of EGI Financial, Inc.. If you have questions about the contents of this brochure, please contact us at 330-535-0881. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about EGI Financial, Inc. is available on the SEC website at www.adviserinfo.sec.gov.

Reference to EGI Financial, Inc. as a "Registered Investment Adviser" or other use of the word "registered" does not imply a certain level of skill or training.

Identifying Information for EGI Financial, Inc.

The Principal Office, Place of Business and Mailing Address:
655 WEST MARKET STREET
AKRON, OH 44303

Telephone 330-535-0881
Fax Number 330-535-0884
Business Hours 9:00 AM TO 5:00 PM , Monday through Friday except holidays
Web Addresses www.EGIFinancial.com

Contact Information

Contact Name Edgar G. Ingraham
Contact Title President
Contact Phone 330-535-0881
Contact E-Mail egi@egifinancial.com

Item 2 Material Changes

There have been no material changes to EGI Financial, Inc. since our last ADV Part II filing on March 30, 2010.

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Item 4 Advisory Business

Following is a description of our Advisory Business and Services Offered

EGI Financial, Inc. is an Ohio corporation established in 1992 as an investment advisory business. EGI Financial, Inc. is registered with the SEC and the state of Ohio and regulated by the SEC as a **Registered Investment Advisory Firm**. EGI Financial, Inc. principal owner(s) (defined as 25% or more ownership) include Edgar G. Ingraham who is also President and Chief Compliance Officer.

EGI Financial, Inc. is affiliated with **American Heritage Securities, Inc.**, (AHS) a FINRA member broke-dealer. This affiliation is based upon both companies being principally owned by Edgar G. Ingraham and the companies share office space and share employees. A conflict of interest could occur if a client of EGI Financial, Inc. is advised to transact securities business which generates income to American Heritage Securities, Inc. Separation of the two businesses is maintained to prevent conflicts of interest. In the event that any commission or other compensation is received by American Heritage Securities, Inc. related to a security transaction for a client of EGI Financial, Inc., such commission or compensation and the potential conflict of interest shall be fully disclosed to the client prior to completion of the transaction.

EGI Financial Inc. provides investment advisory services, or more specifically **Money Management Services**, to individuals, businesses, retirement plans, trusts, estates, and charitable organizations. Investment programs are developed to meet each client's specific needs. Investment portfolios consist of publicly traded securities; including equities (stocks), government, corporate and municipal debt, certificates of deposit, investment company securities (mutual funds), and options. As of March 23, 2011 EGI Financial, Inc. had \$47,711,900 in assets under management, 100% on a discretionary basis. Portfolios are individually managed dependent on the client's objective and risk parameters as identified in their **Investment Policy**. Clients may provide investment input or impose restrictions on investing in certain securities or types of securities.

Item 5 Fees and Compensation

EGI Financial, Inc. is a "fee-only" investment advisory business; meaning fees for investment advice are based on assets under management. EGI does not charge commissions or receive compensation other than fully disclosed fees.

Fees are assessed quarterly, billed in advance and based on assets under management at the beginning of the quarter. Standard annual rates are:

- 1.25% on the first \$100,000, plus
- 1.00% from \$100,001 to \$250,000, plus
- 0.80% from \$250,001 to \$500,000, plus
- 0.50% on amounts over \$500,000.

Fees are negotiable. The minimum annual fee is \$600.00 or \$150 per quarter. Minimum account size is \$250,000. The client or EGI Financial may terminate service at any time and fees will be refunded on a pro-rata basis. Clients have the choice of having their advisory fee deducted from their investment account or paying them directly.

Clients may incur brokerage, transaction or custodial fees from the custodian holding their account. EGI Financial, Inc. does not participate in such fees but will act in the clients best interests to minimize such fees when possible.

EGI Financial's Inc. primary business is to provide investment advice through Money Management Services. On an occasional basis, EGI Financial, Inc. may provide additional services for clients which are not associated with Money Management Services such as Financial Planning, Portfolio Review (of outside assets), Insurance Review or Budgeting, etc.. Such services may be billed at an hourly rate, not to exceed \$250 per hour. EGI is also licensed as an insurance agency in the state of Ohio and sells insurance products on an occasional basis separate from the investment advisory business. EGI does not specialize in, or focus on, either insurance or financial planning.

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

EGI Financial Inc. does not charge or accept Performance-Based Fees and/or Side-By-Side Management Fees. Performance-Based refers to fees related to gains or returns. Side-By Side refers to charging an hourly fee, a flat fee or other fee in addition to charging an asset based management fee.

Item 7 Types of Clients

See Item 4, Advisory Business, for a description of types of Clients EGI Financial, Inc. serves.
See Item 5, Fees and Compensation for explanation of minimum account size accepted.

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

Client assets are invested primarily in domestic and international equities (stocks), fixed income (debt instruments or bonds), money markets (money funds and short-term fixed income instruments). To a lesser extent, assets may be invested in commodities, master limited partnerships (MLP's), Real Estate Investment Trusts (REIT's), or options. Investments in commodities are made only through Exchange Trades Funds (ETF's) or mutual funds. All investments are in publicly traded securities which normally have published market values. All investments are subject to risk of loss of principal and fluctuation of market value. EGI attempts to limit risk through fundamental analysis and diversification.

Following are the general methods of analysis and investment strategies EGI Financial, Inc. uses to formulate investment advice and manage assets.

Money Management Philosophy: Our approach to portfolio management is guided by three primary principles.

Suitability: Suitability is the characteristic that determines if an investment is appropriate for a given investor.

Investments must have reasonable risk and reward characteristics *relative to the objectives of the client*.

Diversification: The most effective investment principal to reduce risk and achieve consistent returns is *diversification*. Portfolios are diversified among asset classes, industries and market capitalization using a proprietary asset allocation model dependent on client objectives and risk parameters as well as market conditions.

Proprietary Asset Allocation Model: Our proprietary model identifies investments by "expectations" to help EGI design a diversified portfolio appropriate to each client's risk parameters and reward objectives.

Investment Philosophy: *Quality, Value, Diversification and a Long-Term Outlook* are the disciplines that guide our investment decisions.

Quality is a multi-faceted characteristic. EGI uses fundamental analysis along with a thorough study of a company's business strategy and management to evaluate *Quality* in investment opportunities.

Growth companies can be *value* investments. Growth at an attractive price in relation to the rate, stability and reliability of growth equates to value. EGI considers past and projected cash flow, earnings, dividend yield, financial strength and stability. Value is found when the current stock price is lower than net present value of future cash flows generated from the company.

While *Quality* and *Value* are critical, we strongly emphasize *Diversification and a Long-Term Outlook*, *Diversification* is a principle of both our Money Management Philosophy and Investment Philosophy. By prudently investing among various investment styles, we reduce risk and enhance the long-term performance of client portfolios. Investments are typically held a minimum of three years.

Item 9 Disciplinary Information

EGI Financial, Inc. or its Investment Advisor representatives (IAR's) have no material Disciplinary or Disclosure Information. Public information on the Firm and its IAR's is available at www.adviserinfo.sec.gov as well as FINRA's (The Financial Industry Regulatory Authority) Broker Check website: <http://www.finra.org/BrokerCheck/>

Item 10 Other Financial Industry Activities and Affiliations

All Investment Advisor representatives (IAR's) of EGI Financial, Inc. are licensed registered representatives (Series & licensed) with FINRA (The Financial Industry Regulatory Authority) and employees of American Heritage Securities, Inc. See Item 4, Advisory Business for a description of EGI Financial, Inc. affiliation with American Heritage Securities, Inc., a FINRA broker/dealer. Other than American Heritage Securities, Inc., EGI Financial, Inc. has no material affiliations with other financial industry organizations or financial professionals.

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

EGI Financial has adopted a Code of Ethics that sets forth governing ethical standards and principles for the firm and its employees and describes the Company's policies regarding the protection of confidential information, including client nonpublic personal information, review of the personal securities accounts of certain personnel of the Company for evidence of manipulative trading, trading ahead of clients, and/or insider trading.

EGI Financial's primary guiding policy is *integrity*. The firm strives to maintain the highest ethical standards in all interaction with the public, its clients, and employees. Specific ethics guidelines are:

- No employee is to engage in any activity that is not in the best interests of clients or may have the appearance of not being in the best interest of clients.
- Client information is strictly confidential. Personal and financial information will not be disclosed except as required to perform authorized business activity. Any other disclosure of client information will only be upon specific request by the client.
- Client records will be maintained securely, retained as required and properly destroyed when no longer required.
- Investment recommendations and portfolio management will be based upon the client's Investment Policy, which reflects the client's financial situation, investment objectives and risk parameters.
- EGI Financial Inc. or its employees will not trade ahead of client accounts. Should EGI or its employees trade the same security as being traded for a client the client's order will be placed and filled first or the EGI related trade may be included in "block" orders done for groups of clients, as long the size of the transaction is not significant enough to affect the transaction.
- All block orders (with or without employee transactions) must be distributed at the "average price" obtained for the block trade. Block orders must be allocated on day of the order execution.

This is a Summary of the Code of Ethics of EGI Financial, Inc. The complete Code of Ethics Policy is available upon request to EGI Financial, Inc. at 655 W Market Street, Akron, OH 44303, Phone 330-535-0881, Email egi@egifinancial.com.

Item 12 Brokerage Practices

EGI Financial, Inc. recommends clients use TD Ameritrade as the third party broker/dealer custodian for accounts managed by our firm, however, clients may use another custodian acceptable to EGI Financial, Inc. EGI Financial, Inc. has a non-affiliated, non-compensation arrangement with TD Ameritrade as a result of having client accounts custodiated with TD Ameritrade. No compensation is received by either TD Ameritrade or EGI Financial, Inc. as a result of this referral relationship. TD Ameritrade benefits from this relationship in that they receive standard institutional brokerage commissions and other fees as a result of the clients' brokerage activities. EGI Financial, Inc. benefits from this relationship through services provided by TD Ameritrade to enable account management, trading and access to non-proprietary research including Thomson Reuters Stock Reports, Standard & Poor's Stock Reports, Vickers Insider Trading Chronologies, Argus Company Reports, The Street Ratings Reports and Jaywalk Consensus Reports. This research is not a "soft-dollar arrangement."

EGI Financial, Inc. recommends clients use TD Ameritrade as custodian due to their size, financial security and national reputation as well as low and competitive brokerage commissions and the benefits EGI Financial, Inc. receives, as discussed above. EGI Financial, Inc. does not receive client referrals from TD Ameritrade.

Item 13 Review of Accounts

Client portfolios are reviewed a minimum of once per month by the Investment Advisor Representative (IAR) assigned to the account. Reviews consist of an analysis of investment fundamentals, investment performance and portfolio allocation compared to the portfolio's objectives. Securities prices are reviewed a minimum of once per week to monitor for unusual price activity. Investment Advisor Representatives are: Edgar G. Ingraham, Michael D. Prescott, Brain K. Weinreich, James A Wynne.

Quarterly, EGI Financial provides a written progress report to the client including the following account reports: Allocation Review, Portfolio Allocation and Three-Year Performance History (once history is available). Additional reports or information are provided as appropriate. Additionally, clients receive monthly brokerage statements from the custodian broker/dealer. TD Ameritrade provides clients with online access to their accounts.

Item 14 Client Referrals and Other Compensation

EGI Financial, Inc. does not have referral or other compensation arrangements with outside parties.

Item 15 Custody

EGI Financial, Inc. does not have custody of client assets based on SEC Rule 206(4)-2 under the Advisors Act. All client funds or securities are held with an independent "qualified" custodian who sends quarterly, or more frequent, account statements directly to the client. Clients should carefully review statements received from the custodian and compare them with any report or statement received directly from EGI Financial, Inc. or its representatives.

Item 16 Investment Discretion

EGI Financial, Inc. manages client portfolios on discretionary basis, meaning we buy and sell securities on the client's behalf without prior consent by the client. EGI's discretionary management is dependent on the clients' objectives and risk parameters as identified in their *Investment Policy*. Clients provide EGI Financial, Inc. with the authority to manage their portfolios on a discretionary basis by signing a limited Power of Attorney with the qualified custodian holding the client's account and through signing an Investment Advisory Contract with EGI Financial, Inc.. Clients may provide investment input or impose restrictions on investing in certain securities or types of securities.

Item 17 Voting Client Securities

EGI Financial, Inc. does not have authority to vote client securities. Clients receive proxies or other solicitations directly from the custodian or a transfer agent and must vote themselves. Clients are encouraged to contact their IAR with questions about voting their securities.

Item 18 Financial Information

EGI Financial, Inc. is not required to disclose a balance sheet based on prepaid fee rules. EGI Financial, Inc. does have contractual agreements with clients permitting discretionary managing of client assets and no financial condition exists that is reasonably likely to impair EGI's ability to meet its contractual commitments to clients.

Item 19 Requirements for State-Registered Advisers

Following describes the formal education and business background of the principal executive officers and management persons of EGI Financial, Inc. and required supplement information about supervised employees. The business address and phone number of all supervised personnel is the same as the company information in Item 1, above. The date of this supplemental information is March 25, 2011.

Edgar G. Ingraham: President, Chief Compliance Officer, Investment Advisor Representative since September 1992. Education: B.S./Finance, Ohio State University. Background: President of American Heritage Securities, Inc. since April 1992.

Michael D. Prescott: Investment Advisor Representative since August 2002. Education: B.B.A./Finance, University of Akron, 2000. Attended University of Wisconsin. Background: Registered Representative at American Heritage Securities, Inc. since August 2002.

Brian K. Weinreich: Investment Advisor Representative since May 2009. Education: B.A./General Studies, Kent State University, 1997. Background: January 1999 to May 2009, Registered Representative at national brokerage firm. May 2009 to present, Registered Representative at American Heritage Securities, Inc. since May 2009.

James A. Wynne: Investment Advisor Representative since July 2009. Education: B.S/B.A. Accounting, The Ohio State University. Professional Designations: Certified Public Accountant (inactive). Background: January 2000 to July 2009, Registered Representative at national brokerage firm. Registered Representative at American Heritage Securities, Inc. since July 2009.

The principal executive officers and management persons of EGI Financial, Inc. are affiliated with American Heritage Securities, Inc., as discussed in Items 4 and 10, above. As a group, the officers and managers of EGI allocate approximately 60% of their time to EGI activities and 40% of their time to AHS activities.

Edgar g. Ingraham, Chief Compliance Officer, 330-535-0881, supervises activity of EGI's IAR's by reviewing investment allocations relative to client objectives and monitoring investment activity. ...