

## **Form ADV : Part 2 A & B**

As of December 19, 2011

**Part 2A: The Brochure:** This brochure discloses information about the qualifications and business practices of the investment advisory firm named below for the benefit of its clients and prospective clients. Please note that the terms “registered investment adviser” or “registered” do not imply a certain level of skill or training. If the adviser uses a wrap fee program, it is found in Appendix 1. If you have any questions about the contents of this brochure, please contact us at the contacts given below.

**Part 2B: The Brochure “Supplement** discloses information about persons providing advice.

### **2A: Brochure : Item 1 :Cover Page : for**

[dba “**Bedford Financial Group**” aka “**BFG**”]

1206 East Park Avenue

Libertyville, ILLINOIS 60048

[crd # 115606 / SEC # 801-58256 ]

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or

Facsimile : (847) 996-3231

Email : [mroeser@sagepointadvisor.com](mailto:mroeser@sagepointadvisor.com)

website : [www.bedfordfinancialgroup.com](http://www.bedfordfinancialgroup.com)

also

[dba “**The Mulford Financial Planning Group Ltd**” aka “**The Mulford**” ]

7800 N Milwaukee Avenue

Niles, ILLINOIS 60714

[crd # 115606 / SEC # 801-58256 ]

Telephone : (847) 966-2040

or

Facsimile : (847) 966-2179

Email : [mcallero@themulford.com](mailto:mcallero@themulford.com)

website : [www.themulford.com](http://www.themulford.com)

*Please note that this brochure has not been approved by the Securities & Exchange Commission or by any state securities authority. This firm is registered with the SEC and notice filed in one or more states; **registration does not mean approval or verification by those regulators.** More information about the firm is at Investment Adviser Public Disclosure : [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

**2A: Brochure : Item 2: Material Changes :** *If we amend this disclosure brochure, we are to send you either a new copy of the brochure or at least this item 2 describing the changes made so you can decide if you want us to send you a complete, new copy. A summary of material changes is :*

☐ attached as an exhibit to or

☒ included here as part of this updated brochure

or : No summary of material changes is required because there have been no material changes to this adviser’s brochure since its last annual updating amendment.

The changes made are:

In Item 1. Second DBA The Mulford Financial Planning Group Ltd. added

In Item 4. Additional Wealth Management and Advisory Programs offered.

**2A: Brochure : Item 3 : Table of Contents** : Information that investment advisers must provide to prospective clients initially and to existing clients annually : 18 disclosure items that describe this firm’s advisory business. and (if applicable) Appendix 1withdisclosuresrequired for a “wrap fee” program brochure [*a specialized brochure*].

Item 1. : <u>Cover Page.</u> :	The firm’s name, its address, contact information,	Page 1, above
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## 2A: Brochure : Items 4 – 18:

### Item 4. : This advisory firm's business

4. A. Michael R. Roeser and Associates, Inc., dba "Bedford Financial Group" ( also "BFG" or "the adviser" or "the firm") is an ILLINOIS state corporation [IRS EIN 36-3741465] that registered with the SEC on 1.10.2001 to do business as an investment advisory firm. Note : The use of the phrase "registered investment adviser" or the term "registered" do not imply a certain level of skill or training. Our firm's owner is Michael Robert Roeser, the firm's President and advisory representative.

The firm is open for business from 9 to 5, Monday through Friday (Central time).

#### 4.B. Investment Management Services

Bedford Financial Group and The Mulford offer:

- financial planning;
- asset management services; and
- referrals to other, third party advisers for portfolio platform management

#### Financial Planning

BFG or The Mulford will analyze a client's financial and personal data in order to evaluate the client's ability to meet stated objectives, to identify problem areas, and to make recommendations for suitable investments. The client may follow the generic advice, or choose to retain BFG for further investment management and advisory services.

#### Asset Management Services

BFG's and The Mulford's associates are affiliated with SagePoint Financial, Inc., a FINRA member broker/dealer and thus subject to the regulatory jurisdiction of the FINRA in regard to the execution of securities transactions. To comply with FINRA requirements, all transactions that BFG and The Mulford effect they will execute through SagePoint Financial, Inc. in an account established on a fully disclosed basis with Pershing. To the extent that only SagePoint Financial, Inc and Pershing may execute general securities transactions, the account may or may not obtain best execution of those transactions.

Clients are under no obligation to accept BFG's or The Mulford's recommendations or to authorize transactions through BFG or The Mulford, related person of BFG or The Mulford, or SagePoint. Clients may be able to purchase recommended no-load funds outside of BFG's or The Mulford's program at little or no transaction cost and without BFG's or The Mulford's advisory fees. We provide a description of these programs below [page 5 ].

#### Advisory Referral Programs

Michael R Roeser and Associates has entered into agreements with various third-party investment advisers. Under these agreements, Michael R Roeser and Associates offers clients various types of programs sponsored by these advisers. All third-party investment advisers to whom Michael R. Roeser and Associates will refer clients will be licensed as investment advisers by the state of Illinois or registered investment advisers with the Securities and Exchange Commission.

After gathering information about a client's financial situation and investment objectives, a representative of Michael R Roeser and Associates will assist the client in selecting a particular thirdparty program. Michael R Roeser and Associates receives compensation pursuant to its agreements with these third-party advisers for introducing clients to these third-party advisers and for certain ongoing services

provided to clients. This compensation, which is disclosed to the client in a separate disclosure document provided by the third-party manager, is typically equal to a percentage of the investment advisory fee charged by that third-party adviser or a fixed fee.

Because Michael R Roeser and Associates and its representative receive compensation from the third-party advisers for referring clients and because such compensation may differ depending upon the individual agreement with each third-party adviser, Michael R Roeser and Associates and/or its representative may have an incentive to recommend one of these third-party advisers over other third-party advisers with which it has less favorable compensation arrangements or other advisory programs offered by third-party advisers with which it has no compensation arrangements. Since the fee for the investment advisory services of Michael R Roeser and Associates is paid by the independent third-party adviser, the fee paid to Michael R Roeser and Associates is not negotiable.

The fees that clients pay to independent third-party advisers are established and payable in accordance with the Form ADV Part 2 provided by each independent third-party adviser to whom Michael R Roeser and Associates refers its clients, and may or may not be negotiable, as disclosed in the disclosure documents of the third-party adviser.

Certain programs may charge a "wrap fee." Selection of a "wrap fee" program may result in the payment of fees by clients in excess of the combined total of separate advisory fees and brokerage commissions paid on a transactional basis. If a "wrap fee" program is not selected, the client may incur additional fees, in addition to the fees charged by third-party investment advisers, clients may be charged transaction charges by securities broker-dealers. SagePoint, a registered securities broker-dealer with whom certain associated persons of Michael R Roeser and Associates are associated, may receive transaction charges, a portion of which may be paid to the associated persons of Michael R Roeser and Associates in their capacities as associated persons of SagePoint.

Clients who are referred to third-party investment advisers will receive full disclosure, including services rendered and fee schedules, at the time of the referral, by delivery of a copy of the relevant third-party adviser's Form ADV Part 2 at the same time as the Form ADV Part 2 of Michael R Roeser and Associates. In addition, if the investment program recommended to a client is a wrap fee program, the client will also receive the wrap fee brochure provided by the sponsor of the program.

Michael R Roeser and Associates will provide to each client all appropriate disclosure statements, including disclosure of solicitation fees to Michael R Roeser and Associates and its Advisory Representatives as required by Securities and Exchange Commission Rule 206(4)-3. Clients will sign an advisory agreement with Michael R Roeser and Associates and will also sign an advisory agreement directly with the third-party adviser of the program selected. The advisory relationship may be terminated by the client, Michael R Roeser and Associates or the third-party adviser in accordance with the provisions of those agreements. The client will typically receive a pro rata refund of any prepaid advisory fees upon termination of an advisory agreement.

If the advisory firm is to seek to establish any arrangement whereby advisory transactions are not executed through SagePoint, all transactions must be executed with SagePoint's prior knowledge. Advisory fees for BFG's or The Mulford's portfolio management services will be assigned to SagePoint as paying agent. Under an agreement with BFG, SagePoint Financial will be allocated a portion of the advisory fee in return for its undertaking certain obligations established under FINRA Rules, with the balance of the advisory fee passed to the advisor.

#### 4.B. Asset Management Services (continued)

The following are the managed account options available:

Vision 2020 Wealth Management Platform programs:

- The Advisor-Managed Portfolios Program
- The Model Portfolio Program
- The SMA and UMA Programs
- Vision 2020 Modelfolios Program
- MAP : the Managed Assets Program

Retirement Plan Consulting Services through the Company

Premier Advisory Services through SagePoint

#### **VISION2020 WEALTH MANAGEMENT PLATFORM – ADVISOR MANAGED PORTFOLIOS PROGRAM**

The Wealth Management Platform – Advisor Managed Portfolios Program (“Advisor Managed Portfolios”) provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing, LLC (“Pershing”).

Advisor Managed Portfolios provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire (“Questionnaire”) and discussions that we have together regarding, among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, variable annuity sub-accounts (certain restrictions may apply) and other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

**For further Advisor Managed Portfolios details, please see the Advisor Managed Portfolios Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in Advisor Managed Portfolios. Please read it thoroughly before investing.”**

#### **VISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM**

The Wealth Management Platform - Model Portfolios Program (“Model Program”) offers Clients managed asset allocation models (“Asset Allocation Models”) of mutual funds or exchange traded funds (“ETFs”) diversified across various investment styles and strategies. The Asset Allocation Models are constructed by managers (“Program Managers”) such as Russell Investment Management Company, ICON Advisers, Inc. and Morningstar Associates, LLC.

Based upon the risk tolerance of each Client, the Model Program utilizes a system that selects a specific Asset Allocation Model which may contain either 1) a combination of mutual funds or 2) a

combination of exchange traded funds (“ETFs”) depending on which Program Manager is used. Together, we will select a recommended Asset Allocation Model. After the Asset Allocation Model is chosen, we, with the assistance of the Model Program sponsor, will open a Model Program account. Your assets will be invested in the specific investments contained within the recommended Asset Allocation Model. You have the opportunity to place reasonable restrictions on investments held within the Model Program account.

**For further Model Program details, including a full list of Program Managers, please see the Model Program Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in the Model Program. Please read it thoroughly before investing.**

#### **VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM**

The Wealth Management Platform – SMA and UMA Account Program (“Wealth Managed Account Program” or “WMAP”) provides you with the opportunity to invest your assets across multiple investment strategies and asset classes by implementing an asset allocation strategy. WMAP is a Wrap Account program that offers these advisory services along with brokerage and custodial services for a single, asset-based, advisory fee.

We will present you with a WMAP asset allocation model (“WMAP Model”) for your approval which will consist of: 1) third party money managers (“WMAP Managers”) who will manage your WMAP account according to a particular equity or fixed income model or strategy, or 2) no-load mutual funds (“Funds”), or 3) exchange traded funds (“ETFs”) or any combination thereof (individually or collectively, “WMAP Investments”). WMAP Investments will be managed according to the selected WMAP Model. WMAP Investments are held within a separately managed account or a series of separately managed accounts (collectively, “SMA Account”) or in one, unified managed account (“UMA Account”).

We will suggest a WMAP Model to you based on your responses to a risk tolerance questionnaire (“Questionnaire”) and discussion that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your WMAP account.

**For further WMAP details please see the WMAP Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.**

#### **VISION2020 ADVISOR PROGRAM**

We offer the VISION2020 Advisor Program (“V2A”) which provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing.

V2A provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on

your responses to a risk tolerance questionnaire (“Questionnaire”) and/or discussions that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, and/or variable annuity sub-accounts (certain restrictions may apply) or other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

**For further V2A details, please see the V2A Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in V2A. Please read it thoroughly before investing.**

#### **VISION2020 MODELFOLIOS PROGRAM**

The VISION2020 Modelfolios Program (“Modelfolios”) offers Clients managed asset allocation models of mutual funds (“Asset Allocation Models”) diversified across various investment styles and strategies. The Asset Allocation Models are composed of mutual funds managed by Russell Investment Management Company (“Russell”) and SunAmerica Asset Management Company (“SAAMCo”).

Our Advisory Representative will obtain the relevant financial data from you and assist you in the selection of a suitable Asset Allocation Model. In addition, you have the opportunity to place reasonable restrictions on investments held within your Modelfolios account.

**For further Modelfolios details, please see the Modelfolios Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in the Modelfolios. Please read it thoroughly before investing.**

#### **MANAGED ASSETS PROGRAM [“MAP”]**

The Managed Assets Program (“MAP Program”) is an investment management program that provides you with access to multiple managers who provide investment advice to you on portfolios consisting of individual stocks, bonds, exchange traded and mutual funds.

You can choose a variety of investment managers across asset classes and investment styles for a complete asset allocation strategy or seek an investment manager for a single asset class. More specifically, you will generally choose from the following three options:

- The Single Asset Category Proposal allows you to select investments in a single asset class either by asset class (e.g. US Large Cap Equity) or by investment style (e.g. US Large Cap Growth Equity).
- The Asset Allocation Proposal which allows you to allocate your investments across

multiple asset classes and investment styles using multiple brokerage accounts.

- The Diversified Multi-Strategy Portfolio Proposal which allows you to allocate your investments across multiple asset classes and investment styles using a single brokerage account.

In addition, you have the opportunity to place reasonable restrictions on investments held within your MAP Program account.

**For further MAP Program details, please see the MAP Program Wrap Fee Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.**

### **THIRD PARTY ADVISORY SERVICES**

We offer our clients the services of various third party investment advisors ("Third-Party Advisory Services") for the provision of certain investment advisory programs including mutual fund wrap and separately managed account programs.

*If you are interested in learning more about any of these services, please note that a complete description of the programs, services, fees and payment structure, and termination features is available via the applicable Third Party Advisory Service's disclosure brochures, investment advisory contracts, and account opening documents.*

In connection with these arrangements, we will provide assistance in the selection and ongoing monitoring of a particular Third-Party Advisory Service. Factors that we consider in the selection of a particular third-party advisor may include but may not be limited to: i) our assessment of a particular Third-Party Advisory Service; ii) your risk tolerance, goals, objectives and restrictions, as well as investment experience; and, iii) the assets you have available for investment.

You should know that the services provided by us through the use of Third-Party Advisory Services are under certain conditions directly offered by them to you. The fees charged by Third-Party Advisory Services who offer their programs directly to you may be more or less than the combined fees charged by the Third Party Advisory Service and us for our participation in the investment programs. However, when using the services of Third-Party Advisory Services directly, you do not receive our expertise in developing an investment strategy, selecting a Third-Party Advisory Service, monitoring the performance of your account and changing a Third-Party Advisory Service provider when appropriate.

### **RETIREMENT PLAN CONSULTING SERVICES**

We offer retirement consulting services to employee benefit plans and their fiduciaries. The services are designed to assist the plan sponsor (the "Company") in meeting its management and fiduciary obligations to the plan under ERISA. Retirement consulting services will consist of general or

specific advice, and may include any one or all of the following:

1. Platform Provider Search and Plan Set-up
2. Strategic Planning and Investment Policy Development/Review.
3. Plan Review.
4. Plan Fee and Cost Review.
5. Acting as Third Party Service Provider Liaison.
6. Assessment of Plan Investments and Investment Options.
7. Plan Participant Education and Communication.
8. Investment Advice to Participants.
9. Plan Benchmarking
10. Plan Conversion to New Vendor Platform
11. Assistance in Plan Merger
12. Legislative and Regulatory Updates; Plan Corrections

The Company may also engage us to provide a review of executive benefits, for separate compensation.

We will determine with the Company in advance the scope of services to be performed and the fees for all requested services. Prior to engaging us to provide pension consulting services, the Company will be required to enter into a written agreement with us setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the relevant fees and fee paying arrangements. The services outlined above that we provide are explained in more detail in the written agreement. We will also provide additional disclosures about our services and fees, where required by ERISA.

When we perform our agreed upon services, we will not be required to verify the accuracy or consistency of any information received from the Company.

We will serve in a nondiscretionary ERISA fiduciary capacity with respect to some but not all of the services that we provide which will be further explained in the written agreement we sign with the Company. The Company is always free to seek independent advice about the appropriateness of any recommendations made by us.

#### **PREMIER ADVISORY SERVICES**

We offer Premier Advisory Services ("Premier") as a non-commissionable advisory account where we can purchase load waived and no-load mutual funds and other equity, debt and option securities for you. Our Advisory Representative will obtain the relevant financial data from you and assist you in the selection of suitable investments. We will base our investment strategy on your specific goals

and situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your Premier account.

4.B. As noted above, BFG assists clients in the selection and retention of appropriate third-party investment advisors for the management of the client's portfolios.

Because Michael R Roeser and Associates and its representative receive compensation from the third-party advisers for referring clients and because such compensation may differ depending upon the individual agreement with each third-party adviser, Michael R Roeser and Associates and/or its representative may have an incentive to recommend one of these third-party advisers over other third-party advisers with which it has less favorable compensation arrangements or other advisory programs offered by third-party advisers with which it has no compensation arrangements. Since the fee for the investment advisory services of Michael R Roeser and Associates is paid by the independent third-party adviser, the fee paid to Michael R Roeser and Associates is not negotiable.

The representative of Michael R Roeser and Associates will contact the client at least quarterly, and will make written inquiry regarding changes in the client's financial situation and needs or investment objectives. In addition, the representative will meet with the client at least annually to review any changes in the client's financial situation, needs or investment objectives, as well as the performance of the programs managed by the third-party investment adviser. A representative will be available for the client's consultation during normal business hours.

4.C. Do we tailor our advisory services to a client's individual needs and how do we do so?  
Can clients impose restrictions on investing in certain securities or types of securities?

As a fiduciary, an investment adviser is to make only those recommendations that demonstrably are in the client's own best interests, which means that they, too, must be based on an individual's stated and/or established, individual needs, goals, risk tolerance and investment time horizon. The firm seeks to establish this personal dimension through a careful, fact-finding interview and discussions with each client. BFG does not itself use discretion over its clients' accounts. Clients effectively impose investment restrictions on the adviser by accepting or disregarding recommendations to invest in certain securities or types of securities.

With regard to any referral to a third party adviser, a client's ability to impose restrictions on the adviser's discretion occurs at the beginning of the process at which time a client accepts or chooses not to invest in the recommended programs. Clients may withdraw from the programs at any time as well. Otherwise, the firm does not itself exercise discretion over the investment platforms that pursue their goals as stated in their disclosure documents and ADV forms Part 2A.

4.D. Do we participate in a wrap fee program providing portfolio management services? NO, BFG does not do so currently. If we do refer a client to a wrap fee program, BFG will receive a portion of the wrap fee for our advisory services.

Clients should know the following information regarding wrap fee programs:

Certain programs may charge a "wrap fee." Selection of a "wrap fee" program may result in the payment of fees by clients in excess of the combined total of separate advisory fees and brokerage commissions paid on a transactional basis. If a "wrap fee" program is not selected, the client may incur

additional fees, in addition to the fees charged by third-party investment advisers, clients may be charged transaction charges by securities broker-dealers.

SagePoint Financial, a registered securities broker-dealer with whom certain associated persons of Michael R Roeser and Associates are associated, may receive transaction charges, a portion of which may be paid to the associated persons of Michael R Roeser and Associates in their capacities as associated persons of SagePoint Financial.

4. E. As of 12.14.2011 this firm managed assets of \$78,000,000 in a continuous and regular manner. All accounts are non-discretionary only.

Item 5 : Fees and Compensation. . — How our firm is compensated

If the advisory firm is to seek to establish any arrangement whereby advisory transactions are not executed through SagePoint, all transactions must be executed with SagePoint's prior knowledge. Advisory fees for BFG's or The Mulford's portfolio management services will be assigned to SagePoint as paying agent. Under an agreement with BFG, SagePoint Financial will be allocated a portion of the advisory fee in return for its undertaking certain obligations established under FINRA Rules, with the balance of the advisory fee passed to the advisor.

**VISION2020 WEALTH MANAGEMENT PLATFORM – ADVISOR MANAGED PORTFOLIOS PROGRAM**

We offer Advisor Managed Portfolios as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. A client's account fees are negotiable; the custodian will debit the fees from the client's account. The client will receive a full account fee refund in the event that the client terminates the agreement with BFG / The Mulford within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Advisor Managed Portfolios Wrap Fee Program Brochure for further details.

Our Advisor Managed Portfolios account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

**VISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM**

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. A client's account fees are negotiable and will be debited from the client's account by our custodian. The client will receive a full account fee refund in the event that the client terminates the client agreement with BFG/ The Mulford within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Model Program Wrap Fee Program Brochure for further details.

Our Model Program account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

**VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM**

We offer WMAP as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. A client's account fees are negotiable and will be debited from your account by our custodian. The client will receive a full account fee refund in the event that the client terminates the client agreement with us within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the WMAP Wrap Fee Program Brochure for further details.

Our Advisor Managed Portfolios account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

**VISION2020 ADVISOR PROGRAM**

We offer V2A as an account where no separate transactions charges apply and the client pays a single fee for all advisory services and transactions ("Wrap Account").

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in the client's account as of the last business day of the preceding calendar quarter. A client's account fees are negotiable and will be debited from the client account by our custodian. A client will receive a full account fee refund in the event that s/he terminates a client agreement with us within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the V2A Wrap Fee Program Brochure for

further details.

Our V2A account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

#### **VISION2020 MODELFOLIOS PROGRAM**

We offer Modelfolios as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in the client's account as of the last business day of the preceding calendar quarter. Clients' account fees are negotiable and will be debited from the account by our custodian. A client will receive a full account fee refund in the event that s/he terminates the client agreement with us within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Modelfolios Wrap Fee Program Brochure for further details.

Our Modelfolios account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

#### **MANAGED ASSETS PROGRAM**

We offer the MAP Program as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in the client's account as of the last business day of the preceding calendar quarter. Clients' account fees are negotiable and will be debited from the account by our custodian. A client will receive a full account fee refund in the event that s/he terminates the client agreement with us within five business days of signing. If a client terminates after the first five days, the account fee will be credited

back to the client on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the MAP Wrap Fee Program Brochure for further details.

Our MAP account fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

#### **RETIREMENT PLAN CONSULTING SERVICES**

We will bill the Company for Retirement Plan Consulting Services based upon a percentage of the Plan assets. The exact fee is negotiated in advance of services rendered and is disclosed in the executed written agreement that we sign with the Company. Fees will be billed quarterly in advance. In special circumstances other fee paying arrangements may be negotiated.

The Company may terminate the written agreement they signed with us within five days of the execution date without penalty. Thereafter, the written agreement may be terminated by us or the Company at any time upon 60 days' prior written notice. Upon termination, we will deliver a final billing statement for unbilled work performed prior to termination, and the Company will have a period of 30 days within which to deliver payment. If termination occurs after the first five days, our fee will be credited back to the Company on a pro-rata basis for the unused portion of the billing period. When we calculate the credit, we will subtract any unbilled work we performed for the Company prior to termination.

Our Retirement Plan Consulting Services fee schedule is as follows:

Assets Under Management	Annual Fee
First \$250,000	1.25%
250,000 to 500,000	1.25%
500,000 to 1 million	1.0%
Over \$1 million	1.0%

#### **PREMIER ADVISORY SERVICES**

We offer Premier as an account billed with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the account fee described below, you will also pay separate per-trade transaction charges. If you elect to receive quarterly performance reports ("QPRs"), your account will also be charged a QPR fee. Please see your client agreement for transaction charge and QPR fee details.

The client will pay a quarterly account fee, in advance, based upon the market value of the assets held in the client's account as of the last business day of the preceding calendar quarter. Clients' account fees are negotiable and will be debited from the account by our custodian. A client will receive a full account fee refund in the event that s/he terminates the client agreement with us within five business days of signing. If a client terminates after the first five days, the account fee will be credited back to the client on a pro-rata basis for the unused portion of the quarter.

The maximum fee schedule for Premier accounts follows.

<u>OPTION A</u>		<u>OPTION B</u>	
Minimum Balance of \$50,000		Minimum Balance \$25,000	
Assets Under Management	Annual Fee	Assets Under Management	Annual Fee
First \$250,000	2.2%	First \$250,000	2.2%
250,000 to 500,000	1.8%	250,000 to 500,000	1.8%
500,000 to 1 million	1.5%	500,000 to 1 million	1.5%
Over \$1 million	1.2%	Over \$1 million	1.2%

<u>OPTION A</u>		<u>OPTION B</u>	
Minimum Balance of \$50,000		Minimum Balance \$25,000	
Assets Under Management	Annual Fee	Assets Under Management	Annual Fee
First \$250,000	2.2%	First \$250,000	2.2%
250,000 to 500,000	1.8%	250,000 to 500,000	1.8%
500,000 to 1 million	1.5%	500,000 to 1 million	1.5%
Over \$1 million	1.2%	Over \$1 million	1.2%

Item 5 : Fees and Compensation.

5.A. Report for a fee

A quarterly report can be generated by Pershing, which is in addition to monthly account statements. This report provides a market perspective on the most recently completed quarterly activity, and a portfolio performance summary using Standard & Poor 500 and Lehman Brothers Bond Index as

benchmark comparisons.

The report also reflects holdings by asset type, contributions, withdrawals, and a description of each position held with value, gain and loss, and yield information. The annual charge for this service begins at .2% (2/10 of 1%) and is reduced based on the size of the account. The charge is deducted from management fees charged to the client's account.

5.B. . Disclosure : Does our firm bill its clients for the incurred advisory fees by :

- Sending an invoice to the client, OR Obtaining each client's signed permission to deduct the advisory fees from the client's account held by the custodian, OR
- May clients select either method of billing? No.

#### Investment Management Services

The Investment Management Client Agreement provides for the Client's Pershing account through SagePoint to be billed automatically for Management Fees, in accordance with the fee schedule. Under the terms of an agreement between Adviser and SagePoint, SagePoint is reallocated a Service Fee ranging from 10% to 25% of the total Management Fee charged by the Adviser to the Client in exchange for services rendered by SagePoint to Client and Adviser.

If a client does not elect the quarterly report option, the management fees the custodian deducts from the client's account will include an annual charge for the service of automated billing. The annual charge for this service begins at .06% (6/10 of 1%) and is reduced based on the size of the account. The annual charge for automated billing is included in the charge for optional quarterly reporting if elected.

BFG assess its advisory fees quarterly in advance.

5.C. . Disclosure : Other types of fees or expenses clients may pay in connection with the advisory services. Clients should be aware that opening an investment account carries with it costs beyond the advisory fee(s) BFG charges. Clients should be aware that, in addition to the investment advisory fees paid by the Client in connection with the Adviser's investment management services, each investment company (i.e., mutual fund) also pays its own separate investment advisory management fees and other expenses. When placing a transaction order to buy or sell securities, advisory clients may have to pay any or all of the following charges in addition to the advisory fees charged by this firm.

- |                         |  |
|-------------------------|--|
| • Brokerage commissions | • administrative fees for investments in mutual fund fees, |
| • custodian fees        | • and 12b-1 fees in addition to administrative fees,       |
| • postage charges       | and other marketing fees for mutual funds, paid to         |
| • processing charges    | a broker dealer;   |
| • Ticket charges        | • account maintenance fees charged by a broker             |
| • Early surrender       | dealer for an account, especially if inactive.             |
| • Transfer fees         |  |

Under the terms of an agreement between BFG and SagePoint Financial, SagePoint Financial is reallocated a service fee ranging from 10% to 25% of the total management fee charged by BFG to the Client in exchange for services rendered by SagePoint Financial to Client and BFG. The managed account with Pershing under this program has a minimum account size of \$50,000. General securities transactions are not assessed a commission. Any applicable ticket charges for general securities are paid by the client.

The Adviser may effect certain "load" mutual fund purchases in the Client's account at Net Asset Value (without commission charged to the client). We refer to these NAV load mutual funds as "NAV Funds". SagePoint will retain any rule 12b-1 or service fee paid by NAV funds. A Client's account may have up to

10 NAV Fund transactions in the twelve month period following the date of the first transaction, and in each subsequent twelve month period without incurring a transaction charge. Certain no-load funds are also available without transaction charges.

BFG OR THE MULFORD provides advice in regard to investment company securities (i.e. "mutual funds"). The client should be aware that, in addition to the investment advisory fees paid by the client in connection with BFG's or The Mulford's program, each investment company also pays its own separate investment advisory (i.e. management) fees and other expenses.

SagePoint Financial will assess a transaction charge of \$15 to BFG for each NAV Fund transaction in excess of 10 during the referenced twelve month period. A transaction charge of \$20 will be assessed to BFG for each no-load transaction. The fact that BFG pays these transaction charges may effect the frequency of transaction recommended by BFG to Client.

#### Reports

Pershing can generate a quarterly report, which is in addition to monthly account statements. This report provides a market perspective on the most recently completed quarterly activity, and a portfolio performance summary using Standard & Poor 500 and Lehman Brothers Bond Index as benchmark comparisons. The report also reflects holdings by asset type, contributions, withdrawals, and a description of each position held with value, gain and loss, and yield information. The annual charge for this service begins at 0.2% (2/10 of 1%) and is reduced based on the size of the account.

Pershing deducts the charge from management fees charged to the client's account. If the quarterly report option is not elected, Pershing deducts an annual charge for the service of automated billing (described above) from management fees charged to the client's account. The annual charge for this service begins at .06% (6/10 of 1%) and is reduced based on the size of the account. The charge for optional quarterly reporting, if elected, includes the annual charge for automated billing.

We direct clients to this brochure's Item 12 for further discussion of brokerage costs.

5.D. . Disclosure : Do clients pay fees in advance? How may a client obtain a refund of a pre-paid fee if the contract is terminated prior to a billed period's end? How will the amount of the refund be determined? Fees for Adviser's Investment Management Services are billed quarterly in advance. Fees are calculated by multiplying one fourth of the indicated annual fee by the total dollar amount of assets under advice at the market close on the last business day of the immediately completed calendar quarter. The management fee for the first billing will be pro-rated for accounts that are placed under management after the beginning of the quarter. If assets are deposited after the inception of a quarter, the fee chargeable with respect to such assets as of the next calculation date will be prorated based on the number of days during the quarter the assets were held in the account. For valuation purposes the assets will be treated as if they were held in the account as of the end of the quarter. Client will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination.

5.E. Disclosure : Does the firm or any of its supervised persons 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? Yes, Mr. Roeser does earn commissions for brokerage transactions as a registered representative of Sage Point. He receives 12(b)-1 fees only on purely brokerage accounts, not on advisory accounts.

Disclosure 5.E.1. Whenever an investment advisory firm's representatives may earn a commission, or

mutual fund management 12b-1 fees, or other forms of sales charges in their capacity as the registered representatives of a broker-dealer, that arrangement creates an incentive to recommend those sales and, as a consequence, an inherent possibility for a conflict of interest. An advisor is a fiduciary who is required to make only those recommendations for a client that solely are in the client's own best interest, uninfluenced by any calculation of personal gain.

We do not normally reduce our advisory fees to offset the commissions or markups.

Disclosure 5.E.2. Clients always have the option to purchase through unaffiliated broker-dealers and their agents those investment products our firm recommends

Disclosure 5.E.3 Does our advisory firm receive more than half its revenue from commissions and other sales-based compensation? No, our firm's primary business activity, in time and in revenues, is its fee-based advisory service. Mr. Roeser earns commissions for insurance sales; those revenues come to him personally, not to the investment advisory firm.

Disclosure 5.E. 4. Do we charge advisory fees in addition to commissions or markups? We do, of course, charge advisory fees. That is how most investment advisers perform business. Our investment advisory firm is not also a broker dealer and therefore does not receive commissions or markups.

Other disclosures for this section : Our firm does recommend primarily mutual funds to our clients. Those recommendations do include "no-load" funds, which impose no commission or sales charge ("load") on the shareholder and are purchased directly from the fund company, rather than through a broker. Some clients have long-standing load funds in their portfolios by choice.

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

Does our firm charge performance-based fees [fees based on a portfolio's increase in asset value] ? No, it does not. [See also: Form ADV Part 1A, Item 5. E. (6).

Does our firm have a supervised person who manages an account that pays performance fees? No, it does not.

NOTE : Regulators have stated that performance fees can cause incentives for an adviser to manage a portfolio with an eye to short term gains only, including investments that are more speculative or have a higher risk of loss. They may also tempt an advisor to allocate more time to them than to other clients' portfolios due to the possibility of a higher fee. As a fiduciary, an investment adviser is to provide equitable treatment to each client's managed portfolio as if it were the adviser's own portfolio - within the investment parameters agreed to with the client.

Item 7. : Types of Clients.

Typically our clients include high net worth and other individuals, and pension and profit-sharing plans. We are prepared to provide services to corporations and other businesses, charitable organizations, and estates as well. BFG does not impose an account minimum.

OPTION A managed accounts require a minimum initial account size of \$50,000.

OPTION B managed accounts require a minimum initial account size of \$25,000.

The Premier platform requires a \$25,000 minimum.

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

A. An adviser must describe its methods of analysis and investment strategies used in formulating its investment advice. It must explain in detail any unusual risks.

**Caution : Investing in securities involves risk of loss which a client must be able to bear.**

In formulating advice, the adviser may apply fundamental and/ or technical analytical methods.

**Fundamental Analysis** – Called the “bottom-up” approach to investing, a fundamental analysis seeks an in-depth understanding of a **specific firm/** company to evaluate its intrinsic value and its future prospects before investing in its stock. Such an analysis studies the firm's management, its debt, equity and cash flow, history of financial performance/ growth, dividend payout percentages, its products, operating efficiency and marketing structures, among other factors. The firm's balance sheet and income statement are two key sources of information about the firm.

Fundamental Analysis will compare a firm's stock price with its earnings per share and its net earnings to its gross revenues and compare both with the averages for that industry sector. The ratio of current liabilities to current assets is another important element of this form of evaluation. A central focus is

deciding whether the stock is over-valued or undervalued.

As a term in large-scale economics, a fundamental analysis studies gross national product, inflation and interest rates, trade and unemployment trends, consumer confidence, savings and spending patterns and inventories in order to predict the larger movements of national and international economies. These larger concerns greatly influence the elements considered in a fundamental analysis of any given company.

**Risks** inherent in using a fundamental analysis : The factors involved can require time-consuming study that can fall behind the need to make decisions, if such factors begin to change rapidly. Few of the numbers are absolutes; many are relative to other factors or industry sector information. Most require intelligent judgment and experience to be applied meaningfully to stock values.

Fundamental analysis places value on the financial structure and health of the firm to be invested in. These factors at times are of little or no interest to the market place, such that the stock prices for very sound companies may wither when investors look to other reasons and areas for investing.

For a relatively short time period, a firm can falsify facts to hide poor performance or a fragile financial situation. The independence of balance sheets' and other reports' numerical information from such possible manipulation may not be readily verifiable.

Additionally, time spent using any one analytical method will compete with other analytical methods which might have proven more useful and profitable.

In formulating our investment advice, the firm uses research prepared by others, corporate rating services, annual reports, prospectuses, and filings with the SEC, and company press releases.

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**Technical** – Technical Analysis is, together with fundamental analysis, one of the two major schools of stock market study. This form of value analysis focuses on patterns of **volume and price fluctuations** for a **given stock** as compared to the activity of the larger, general market(s) indicators. Securities are evaluated for purchase or sale based on an analysis of market statistics such as volume and prices over time as seen on charts, etc. that are believed to establish relational patterns that can predict future movements in the markets.

This relative comparison has little or no concern for any company's fundamental structure, production or worth. Market indicators kept in view include volume and direction of market activity, as indicators of supply and demand for securities, often using one or more established index/ indices, such as the NASDAQ, S&P 500, and the Dow Jones Industrial Average. Trends and Penetrations (e.g. of previous "highs") are another type of indicator used. The patterns discerned, often using charts for a quick grasp of the relationship of various factors, are used to predict future market moves and their effects on stocks in general and/ or on particular sectors of the market.

Problems encountered using a technical analysis : Technical analysis purports to see patterns deemed repeatable in similar market conditions. Market conditions may consist of many factors any one of which may alter the outcome of an otherwise very similar situation. No one indicator is absolutely reliable, and a multiple of indicators may just as likely complicate understanding and evaluation as much as or more than it allows deeper insight into the market's mechanics.

The understandings offered clients in explanation tend to use generic Technical Analysis, while the working concepts that are derived from those basics and modified by experience and a firm's emphasis may well be hidden in part or completely as proprietary strategy /strategies that may let one advisor or market participant outperform another.

Technical analysis assumes that all the market factors are known to and considered by all the market's participants, although, in fact, the market can act in highly partial and even apparently irrational ways. A market termed "dynamic" indicates a sense that the underlying causal relationships may be shifting.

The adviser may use various sources of information for its analyses; these sources may include any or all of the following :

- Financial newspapers and magazines
- Research materials prepared by others
- Corporate rating services
- Annual reports, prospectuses, filings with the Securities and Exchange Commission
- Company press releases

#### Third Party Money Managers

BFG may introduce clients to third party investment advisors who provide discretionary management of individual portfolios of equity and/or fixed income securities. In advising firm's retail clients investing in the programs of third party investment advisors, firm uses model portfolios of mutual funds, Exchange Traded Funds (ETF's) and Variable Annuity sub-accounts provided by a number of institutional investment strategists and based on their information, research, asset allocation methodology and investment strategists.

**Risks** in using these methods and strategies : As the managers' strategies and methods may vary widely, they may include the risks noted above in a fundamental analysis or others specific to their methods. None is a proven, absolutely sure means of obtaining positive results. There is always a risk-return relationship : the greater the chance of a higher return on an investment, the higher will be the risk of loss as well.

8. B. An advisor must explain the material risks involved in frequent trading if its strategy involves frequent trading of securities. An advisor must explain how frequent trading can affect performance.

The firm's trading strategies include holding for the long term (a year or more) and short term purchases (sold within a year). What may be regarded as "frequent trading" varies according to

- the client and the strategy for that client's specific account – one client may have multiple accounts that apply different strategies
- to the type of security or relative mix of securities involved
- and to the current nature of the market.

These strategies are intended to enhance the portfolio's value and ability to meet a client's stated goals. All trades will add some costs to be deducted from a client's account and could reduce the overall return or growth in a client's account, if carefully measured against what its value would have been had the adviser not placed the transactions.

The third party strategists review portfolios on a regular basis to rebalance them if needed in order to maintain the agreed-upon weighting of asset classes. All trading will add costs against an account's performance; frequent trading will increase those costs, potentially reducing overall performance. To ascertain the effect, it is necessary to factor in the losses or gains that would have proven true had the

rebalancing not made the trades.

8.C. Do we recommend primarily a particular type of security? What are the material risks involved with that type of security? Are those risks unusual or significant?

We primarily recommend no-load mutual funds. We are prepared to provide advice on most types of securities, including :

<u>Equity Securities</u>		Notable risks involved with this type of investment
exchange-listed securities		Market fluctuations can bring losses, lower dividends
Corporate debt securities		Same as exchange listed, corporate bonds involve credit risk
Certificates of deposit		Limited liquidity
Municipal securities		Same as exchange listed; It is possible that they can default
<u>Investment company securities</u>		
variable life insurance		Insurance company could go out of business; the value of the subaccounts are subject to market fluctuation and loss
variable annuities		Same as variable life
mutual fund shares		Market fluctuations can bring losses; various fees
US government securities		Returns can be low or even, rarely, negative. As hedge against equity market risk, mirror them.

Please see Item 12 for further description of our brokerage practices.

Item 9 :Disciplinary Information.

The SEC requires that we inform you, our client, if our firm or any of our management persons has been involved in any of the events listed below in 9. A, B, and C. and, beyond those points, if there is any material fact about any legal or disciplinary event that you should know about in order to evaluate our integrity. You may also see these same questions answered online at the investment adviser public disclosure site (IAPD), in Part 1A, Item 11.

Our firm and its management persons have NOT been involved in any of the criminal or civil actions, the violations of investment related statutes or regulations, orders, judgments or decrees, administrative proceedings before the SEC, other federal regulatory agency or state regulatory agency or self-regulatory agency issues noted under this item, except as noted here.

Item 9. C. 2. The firm was found to have been involved in a violation of the SRO's rules and was:

(i) barred or suspended from membership or from association with other members, or was expelled from membership? **YES. See below.**

(ii) otherwise significantly limited from investment-related activities? **No, our firm has not and no one in our firm has been.** or

(iii) fined more than \$2,500 - **YES. See below.**

Bedford Financial Group, Inc. has answered "yes" to Items in the disciplinary section of the ADV, Part 1A (Item 11) in response to 11. E. (2)(3) & (4). The disclosures there describe a finding by the NASD (now FINRA), which the firm accepted and consented to without admitting or denying the allegations or findings. The NASD stated that the recommendation of Class B mutual fund shares were unsuitable in one instance and required the firm to pay a restitution of \$39,000. Mr. Roeser was suspended for 30 days and then had to requalify.

Item 10 :Other Financial Industry Activities and Affiliations.

What material relationships does our firm or any of our management persons have with related financial industry participants? What material conflicts of interest may arise from these relationships and how are these conflicts addressed?

A. Have we, or has any of our management persons, registered either as a broker-dealer or as the representative of a broker-dealer?

OR, Do we or any management person have such a registration pending?

Principals and associated persons of BFG are registered representatives of SagePoint Financial and, as such, are compensated on the normal commission schedule.

Principals and associated persons of BFG are associated with SagePoint Financial, Inc. as a Registered Representative. SagePoint Financial. is a diversified financial services company engaged in the sale of specialized investment products. Mr. Roeser may recommend securities or insurance products offered by SagePoint Financial. If Mr. Roeser's client purchases these products through him, he will receive the normal commissions, creating a potential conflict of interest.. The client is under no obligation to purchase products Mr. Roeser recommends, or to purchase products either through him or through SagePoint Financial. unless done in the conjunction with an investment management program(s) As disclosed in this Schedule F, affiliated persons of Advisor are registered securities representatives of SagePoint Financial , Inc., a broker dealer and member of FINRA (Financial Industry Regulatory Authority, formerly the NASD). Under the rules and regulations of the FINRA, SagePoint Financial has obligations to maintain records and perform other functions regarding certain aspects of the investment advisory activities of its registered representatives in relation to certain advisory accounts for which its registered representatives provide investment advice. These obligations require SagePoint Financial. to coordinate with, and have the cooperation of, account custodians.

In order to fulfill its obligations, SagePoint Financial, Inc. has established a list of custodian and brokerage firms which it has arranged to obtain the required cooperation, and which therefore may be utilized for custody of accounts directly advised either by registered representatives of SagePoint Financial. who are investment advisors or other investment advisor entities which are affiliated with registered representatives of SagePoint Financial. In certain instances, SagePoint Financial will collect, as paying agent for BFG, the investment advisory fee remitted to BFG by the account custodian, and SagePoint Financial. will retain a portion as a charge to BFG (not the client) for the functions SagePoint Financial. is required to carry out by FINRA. This fee will not increase execution or brokerage charges to the client or the fee the client has agreed to pay BFG pursuant to the Client's advisory agreement. A portion of the fee retained by SagePoint Financial may be reallocated to other registered representatives of SagePoint Financial who, as registered representatives of SagePoint Financial, Inc., are responsible for the supervision of other representatives and assist SagePoint Financial with the functions described above.

B. Have we, or has any of our management persons, registered as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of these entities named here? OR, Do we or any management person have such a registration pending?

No, none of this item applies to our firm.

C. Do we have any "related person" – a person or a firm that we control or that controls us through

ownership or as an officer – with whom we have a material relationship, any arrangement that may cause a conflict of interest when providing our clients with investment advice? NO. BFG is not, but principals and associates are licensed to sell insurance. Licensing varies by advisor. The sale of these products accounts for approximately 10% of Mr. Roeser's time.

Some advisors do have a related firm or person who is a :

- Broker Dealer
- Municipal Securities Dealer
- Government Securities Dealer or Broker
- An investment company or other pooled investment vehicle
- including a mutual fund,
- closed-end investment company
- unit investment trust
- private investment company
- hedge fund
- offshore fund
- another investment adviser/ financial planner
- a futures commission merchant, commodity pool operator or commodity trading advisor
- a bank or a thrift institution
- an accountant or accounting firm
- a lawyer or a law firm
- an insurance company or agency
- a pension consultant
- a real estate broker or dealer
- a sponsor or syndicator of limited partnerships.

The risk for a conflict of interest in any such arrangement lies in the compensation to be received; it creates an incentive to recommend the service.

An adviser's **related persons** are: (1) the adviser's officers, partners, or directors (or any person performing similar functions); (2) all persons directly or indirectly controlling, controlled by, or under common control with the adviser; (3) all of the adviser's current employees; and (4) any person providing investment advice on the adviser's behalf.

Principals and associated persons may also have a relationship with

- an accounting firm. The nature of the advisor's relationship with an accounting firm is referrals. In all cases, Client is under no obligation to use recommended advisor.
- an insurance company. The nature of the advisor's relationship with an insurance company will vary by advisor, insurance company, and the date of recommendation. In all cases, said advisor will receive compensation, in the form of commission, from the insurance company.
- a pension consultant. Client is under no obligation to use the recommended consultant.

D. Do we recommend or select other investment advisers for our clients? Yes. BFG may provide advice on third party investment advisers who offer timing services, asset allocation services, and wrap fee accounts. BFG will receive a portion of the advisory fee the third party adviser charges. Full disclosure will be provided at the time of solicitation pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940. The fee BFG earns creates a risk for a conflict of interest, which the firm addresses by disclosing it here to BFG's clients.

Michael R Roeser and Associates and its representative may receive compensation from the third-party advisers for referring clients. That compensation may differ depending upon the individual agreement with each third-party adviser. Consequently, Michael R Roeser and Associates and/or its representative may have an incentive to recommend one of these third-party advisers over other third-party advisers with which it has less favorable compensation arrangements or other advisory programs offered by third-party advisers with which it has no compensation arrangements. Since the fee for the investment advisory services of Michael R Roeser and Associates is paid by the independent third-party adviser, the

fee paid to Michael R Roeser and Associates is not negotiable.

Fees paid by clients to independent third-party advisers are established and payable in accordance with the Form ADV Part II or other equivalent disclosure provided by each independent third-party adviser to whom Michael R Roeser and Associates refers its clients, and may or may not be negotiable, as disclosed in the disclosure documents of the third-party adviser.

We have no other business relationships with these advisers that also could cause a conflict of interest.

Item 11. Code of Ethics / Advisory Persons' own trading and possible personal interest in our clients' trades.

A. As required by SEC rule 204A-1 or similar state rules our firm has adopted a Code of Ethics.

The firm has a written Code of Ethics that establishes, among other concerns, policies and procedures to guard against the use of Insider Information. Clients and prospective clients may obtain a copy by written request to the firm.

Please note that using any insider information, information that is not readily available to all participants in the securities markets (upon making a reasonable effort to obtain that information), for any person, ourselves or relatives or clients or any other person, is strictly illegal and punishable by fines and imprisonment.

**How our firm controls sensitive information:**

- Building security : locked doors after business hours.
- locked cabinet files after hours
- password protected computer screens and databases
- fire prevention equipment
- office area under supervision.

Steps the firm has taken to prevent employees from misusing any inside positions include a sign off acknowledgement for all employees. Everyone in BFG's office must also sign off on an affidavit for the broker dealer agreeing to abide by the prohibition against using insider information.

11. B. [ also in Form ADV Part 1A, Item 8. (1)(2) (3) ]

Does our firm or a related person recommend to our clients, or do we buy or sell for our clients' accounts, securities in which we or a related person has a material interest?

Our firm and/ or its associates **do**

- buy or sell for the firm or for themselves shares of mutual funds that we also recommend to our advisory clients;

Our firm and its associates **do not**

- buy securities for the firm or for themselves from advisory clients (principal transactions);
- sell securities the firm or its associates own to advisory clients (principal transactions);
- in their capacity as a broker/ dealer agent, transact purchases or sales of any client's securities directly to any other person (an "agency cross transaction" that side-steps using a securities market place)
- buy or sell for the firm or for themselves securities (other than shares of mutual funds) that we also recommend to our advisory clients;
- invest or are not permitted to invest in securities related to those we may recommend to clients, such as derivatives

- recommend securities (or other investment products) to our advisory clients in which our firm or any person or other firm related to our firm has some other proprietary (ownership) or other financial interest.
- Act as an investment adviser to an investment company that we recommend to our clients.

11. C. **Personal Trading** : investing in the same or related securities

Does our firm permit itself, its personnel, or a person related to our firm (by ownership or other forms of control) to invest in the same securities that we recommend to our clients, or in securities that are related to those securities, such as options or other derivatives?

Principals and associated persons of BFG make recommendations based on client's needs. On occasion, the interests of the associated person may correspond with client's interest. At such times, the associated person may buy or sell for his/her own account the same security that s/he recommends to the client to buy or sell. However, client orders always take precedence over orders placed in the associated person's account.

Nearly all transactions are in mutual funds. BFG does not recommend individual securities. Clients do come to BFG with individual securities in their accounts, which BFG will, over time, replace with mutual funds. Therefore, there are no real concerns regarding front running, etc.

The possible conflicts of interest that arise whenever we recommend, or, in our discretion, buy or sell for you a security that we may also buy or sell for ourselves are

- using your order's market effect to benefit ourselves ("front running");
- using your order as "inside information" that would give us an unfair advantage in the markets to benefit ourselves or any other person (which is an illegal act);
- gaining a lower brokerage cost for ourselves in bunching orders, which can create an incentive to involve your account in that transaction.

Does any person in our firm participate in or have an interest in our clients' transactions? How does such a person participate or what is the interest and what conflicts of interest can that create? No. No one in the firm has a financial interest in any investment transaction the firm recommends to its clients. Examples of such interests would include an adviser recommending that clients invest in a pooled investment vehicle that the firm advises or for which the investment adviser serves as the general partner, or when an adviser with a material financial interest in a company recommends that a client buy shares of that company.

11. D. **Personal Trading** : investing in the same or related securities at the same time.

What specific conflicts do we have when our firm or a related person trades in the same securities at or about the *same time* as it places trades for a client's account?

Our practice is to transact trades for our clients only in mutual funds. Therefore, this area is of no real concern, as regards possible front running or other abrogations of ethics. The SEC does not require disclosure with respect to securities that are not "reportable securities" under Advisers Act rule 204A-1(e)(10), such as shares in unaffiliated mutual funds.- such securities are not reportable under Rule 204A-1 because they appear to present little opportunity for front-running.

"The SEC generally dislikes 'contemporaneous' trading," that is, that anyone in our firm might enter an order for her or his own account at the same time as an order in the same security for a client. Note that these restrictions are not applied to investments in mutual funds that are unaffiliated with our firm. Unaffiliated means a mutual fund that we have not ourselves created or helped establish and/ or in some way act as the fund's managers.

The SEC has stated that “an adviser’s ability to place its own trades before or after client trades in the same security may affect the objectivity of the adviser’s recommendations” and therefore states further that the SEC believes *disclosure of this practice* is warranted.

Item 12 :Brokerage Practices.

12. A. Does our firm select a broker/ dealer for you? On what basis do we do so? How do we determine the reasonableness of the broker’s compensation (commission charges)?

We do recommend one or more specific broker-dealers – SagePoint Financial - for our clients’ transactions.

We base our selection of a broker-dealer on such factors as the ease of transmission of orders and SagePoint Financial’s competitive commission rates, compared to firms with similar services. SagePoint Financial clears through Pershing, a positive point regarding its history of performance and the products it offers. Also, if clients wish for Mr. Roeser to act as the broker dealer agent, he must do so through his employer, so as not to transgress rules against “selling away.”

Neither BFG, its associated persons, nor unaffiliated investment advisory or financial planning entities with which BFG may have agreements, directly suggest brokers to Clients, unless done in conjunction with an investment management program(s). The client is always free to utilize their broker of choice in implementing the advice or financial plan. The nature of the relationship between BFG’s associated person or associated persons of unaffiliated adviser/financial planners and SAGEPOINT Financial Advisors, Inc. may however, tend to encourage the client to implement portions of the recommendations through such persons in their role as registered representatives of SagePoint Financial. BFG believes that SagePoint Financial provides a full range of investment and other financial services at rates that are generally no higher than comparable services in the financial services community. Clients are made aware that they may execute transactions through affiliates of BFG as registered representatives of SagePoint Financial. However, clients may utilize the broker/dealer of their choice and there is no obligation to purchase or sell securities through BFG or SagePoint Financial unless done in conjunction with an investment management program(s).

12. A. 1. Research and other “Soft Dollar” benefits: Do we have any conflicts of interest such as receiving “soft dollars” from the broker/ dealer? No. BFG receives no soft dollars. In his registered representative capacity, Mr. Roeser could receive 12b-1 fees as a result of placing clients with mutual funds, but that applies only to clients who have only a brokerage account, not to advisory accounts.

Required disclosures / explanations:

- a. If an adviser uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, the adviser receives a benefit in not having to produce or purchase them itself.
- b. Any such benefit creates an incentive to select or recommend the broker-dealer that provides it; an adviser’s duty is to select a broker-dealer based on the most favorable execution services for the adviser’s clients.

Therefore, none of the following items applies to BFG :

[c.] Do we “pay up” to obtain soft dollar benefits (that is, do we pay more than the lowest available commission rate)? Do we make our clients pay commissions (or markup or markdowns) higher than those charged by other broker-dealers in return for

“paying-up”?

[d.] Do we use soft dollar products, research or other items for the benefit of all our clients or only certain clients? Do we allocate benefits proportionately to accounts as those accounts generate the soft dollars by our directing brokerage to a specific broker-dealer?

[e.] The types of products, services or other benefits our firm or any of its related persons acquired in our firm’s last fiscal year due to directing our clients’ brokerage to \_\_\_\_\_ [bd] are :

[f.] The procedures our firm used during its last fiscal year to direct our clients’ transactions to a particular broker-dealer in return for soft dollar benefits received were :

Clients need to understand that “soft dollars” are an enticing benefit for an adviser in so far as they provide access to research and / or other products both of use to the adviser in its business and at no expense to the adviser. Clearly, such an enticement creates an incentive to use the broker-dealer in question and may cause the adviser to use a broker that charges the adviser’s clients higher commission rates than another broker-dealer. An adviser has a duty to seek the best execution of trades for its clients, which includes considerations in addition to the commission rate, however.

#### 12. A. 2. Brokerage for client referrals

Do we direct brokerage to a specific broker-dealer in return for client referrals either to our firm or to a related firm? No, we do not.

#### 12. A. 3.

[a] Do we “routinely recommend, request or require” our clients to direct brokerage? We do recommend SagePoint Financial’s services; we do not “request or require” that our clients use that broker dealer.

Clients should know that not all advisers do require directed brokerage.

Is the broker-dealer in question an affiliate of our firm or have some other economic relationship? Mr. Roeser and other advisory associates are “statutory employees” of SagePoint Financial. We inform our clients here that such a relationship could appear to create an inherent risk for a conflict of interest, but BFG does not charge advisory clients any brokerage commissions. By directing brokerage we may not be able to achieve the most favorable execution for client transactions, at an increased cost to our clients than they might have incurred with another broker-dealer.

[b] Do we permit a client to direct brokerage to a specific broker-dealer? No. If the client and Mr. Roeser seek to establish an arrangement to execute advisor-recommended transactions through a broker dealer other than through SagePoint Financial, Mr. Roeser must first obtain SagePoint Financial’s permission to do so for each transaction. Advisory fees for BFG’s portfolio management services will be assigned to SagePoint Financial as paying agent. Under an agreement with BFG, SagePoint Financial will be allocated a portion of the advisory fee in return for its undertaking certain obligations established under FINRA Rules, with the balance of the advisory fee passed to the advisor.

12. B. When we place orders with a broker/ dealer for our clients, do we aggregate or “bunch” your trade order with orders for other clients? The orders placed to create portfolios are for mutual funds; aggregating orders does not apply.

Item 13 :Review of Accounts.

13. A. Does someone in our firm review your investment account portfolio and how often?

Michael R. Roeser, the firm's owner and president, is the sole reviewer of accounts.

The representative of Michael R Roeser and Associates will contact the client at least quarterly, and will make written inquiry regarding changes in the client's financial situation and needs or investment objectives. In addition, the representative will meet with the client at least annually to review any changes in the client's financial situation, needs or investment objectives, as well as the performance of the programs managed by the third-party investment adviser. A representative will be available for the client's consultation during normal business hours.

13. B. What factors might trigger a review in addition to our periodic reviews?

Major moves in the national markets or changes in the nation's economy, as well as any information a client makes known to us regarding changes in that client's financial situation or goals all provide important reasons for an adviser to re-evaluate the recommendations it provides to its clients.

13. C. What regular reports do we or others provide you? Are they written reports? What do they contain?

Clients receive a comprehensive annual report. Each client's situation is reviewed and a report is sent out at least quarterly. If the situation warrants, additional comprehensive reports are prepared. The client can request a review of his/ her situation at any time.

At the Client's option, a quarterly report will be generated by Pershing, which is in addition to monthly account statements. This report provides a market perspective on the most recently completed quarterly activity, and a portfolio performance summary using Standard & Poor 500 and Lehman Brothers Bond indices as benchmark comparisons. The report also reflects holdings by asset type, contributions, withdrawals, and a description of each position held with value, gain and loss, and yield information.

Additionally, clients will receive the usual reports from their broker /dealer and account custodian, monthly for transactions effected and quarterly and yearly for holdings, as well as the usual reports from the investment companies and other securities in which they may be invested.

Pershing can generate a quarterly report, which is in addition to monthly account statements. This report provides a market perspective on the most recently completed quarterly activity, and a portfolio performance summary using Standard & Poor 500 and Lehman Brothers Bond Index as benchmark comparisons. The report also reflects holdings by asset type, contributions, withdrawals, and a description of each position held with value, gain and loss, and yield information. The annual charge for this service begins at 0.2% (2/10 of 1%) and is reduced based on the size of the account. Pershing deducts the charge from management fees charged to the client's account.

If the quarterly report option is not elected, Pershing deducts an annual charge for the service of automated billing (described above) from management fees charged to the client's account. The annual charge for this service begins at .06% (6/10 of 1%) and is reduced based on the size of the account. The charge for optional quarterly reporting, if elected, includes the annual charge for automated billing.

Item 14 :Client Referrals and Other Compensation.

A. Does someone other than a client of our firm pay our firm or related persons, or otherwise provide some economic benefit to our firm, for the investment advice we provide to our clients?

Yes. Advisory representatives who are also registered representatives of the related broker dealer will receive 12(b)-1 fees if they place trades into mutual funds. Note, however, as previously stated, that Mr. Roeser and his associates do not earn 12(b)-1 fees for advisory accounts, but only for brokerage accounts. Therefore, the payment does not create an incentive with regard to investment advisory clients.

B. Does our firm or a firm related to us through some form of ownership pay someone, directly or indirectly, for client referrals? NO. BFG does not currently do so.

Item 15: Custody.

Does our firm have custody of your assets? The practice of “direct billing” has been defined by the SEC as a form of custody, but also as a “modern practice” that does not require annual audits. Direct billing also requires that the client receive at least quarterly statements from the account custodian, showing the advisory fee. Otherwise BFG does not practice any form of custody.

Who is/ are the qualified custodian(s) of your assets’ account? Pershing.

The custodian will send our clients at a minimum a quarterly account statement, monthly statements or confirmations for any month in which there was trade transaction activity in the account. NOTE : These statements should be reviewed carefully. It is not the custodian’s responsibility to ascertain the accuracy of the calculation for fees subtracted from your account.

Item 16 :Investment Discretion.

BFG does not exercise discretion over its clients’ accounts.

Item 17. : Voting Client Securities..— proxy voting practices

Does our firm have or will it accept authority to vote client securities? NO, BFG does not do so. Clients will receive their proxy votes directly from the custodian. This is our policy and our procedures : that we do not vote proxies. Our firm urges our clients to read and participate in the voting process tied to the shares they own in various companies as an excellent means for our clients to become familiar with those companies in which they are invested.

Item 18 :Financial Information.

A. Custody situations : Does our firm have custody of your funds or your securities investments?

- Do we require prepayment of a fee of \$500 (\$1200 for an SEC registrant) or more, 6 or more months in advance of services? We do not.
- Do we practice “Direct Billing” (charging our fees to your account)? We do practice “direct billing” as described above in Item 15 : “Custody”
- Do we or someone in our firm act as the trustee for an advisory client? No, we do not.

18. B. Financial difficulties : Our firm has no financial condition that could reasonably seem likely to impair our ability to meet our contractual commitments to you, our client. This is important, especially if an investment adviser has discretion, custody or both. BFG has neither. If our financial condition were precarious, our clients would be exposed to increased risks that we might not manage their assets properly, according to the SEC. Prepaid fees might not be refunded if an advisory firm were to cease being able to do business due to insolvency.

18. C. Has our firm been the subject of a bankruptcy petition during the last 10 years? No, it has not.

Item 19 :State Registrant Information.(not applicable)

**Michael R. Roeser and Associates, Inc.**

[dba "Bedford Financial Group" ]

1206 East Park Avenue

Libertyville, ILLINOIS 60048

Telephone : (847) 996-3230

or

Facsimile : (847) 996-3231

**Part 2B: The Brochure Supplement** : Here we provide information about advisory personnel on whom you rely for investment advice. We must provide this supervised person's supplement to you, our client initially at or before the time when *that* specific supervised person begins to provide you with advisory services.

**Item 1. Cover Page.**

This brochure supplement provides information about Michael Robert Roeser that supplements the ADV Part 2A brochure for Michael R. Roeser and Associates, Inc. [dba "Bedford Financial Group"] . You should have received a copy of that brochure. Please contact Michael Roeser if you did not receive Bedford Financial Group's brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Roeser is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Michael Robert Roeser**

Born May 7, 1962

CRD # 1304673

**Item 2. Educational Background and Business Experience**

Michael Robert Roeser is the president and sole shareholder of BFG, and he is the sole individual who determines general investment advice for BFG's clients.

Mr. Roeser attended Jamestown College in Jamestown, North Dakota, and graduated in 1984 with a B.A. in History, Political Science, and Business Administration. He then completed a three year program with the American College for Professional Designation in Bryn Mawr, Pennsylvania, and became licensed as a Chartered Financial Consultant (**ChFC**). [see description below]

In June of 1984, Mr. Roeser began work as a sales agent at Equitable Life Assurance Society of U.S. In October of 1984, Mr. Roeser moved to CIGNA Individual Financial Services, where he worked as a senior assistant manager in financial services until February of 1991. At that time he established BFG. He has served as BFG's president since inception.

The American College's website presents the following information regarding the professional designation, "**Chartered Financial Consultant**" (ChFC).

The ChFC<sup>®</sup> instruction "provides comprehensive coverage of the key financial planning disciplines, including:

- Insurance
- Income taxation
- Retirement planning
- Investments
- Estate planning.

The curriculum's studies comprise 7 required and 2 elective courses, including "Financial Planning : Process and Environment" (required). To be awarded the ChFC<sup>®</sup> designation, one must pass successfully all the selected programs, meet experience requirements ( 3 years of full time business experience within the 5 years preceding the designation's award date; a full year of business time is reckoned as 2,000 hours' experience. ) and ethics standards (available at the ChFC<sup>®</sup> site) and agree to comply with The American College's Code of Ethics and

**Procedures.**

“Financial Planning : Process and Environment” This course introduces the financial planning process, covering such areas as

- Communication techniques
- Ethics
- Risk tolerance
- Time-value concept of money
- Financial planning applications
- Regulatory issues
- The legal and economic environment for financial planners
- Some analytical skills needed for financial decision-making

The curriculum includes the following areas :

1. Fundamentals of Insurance Planning : includes the basic concepts, operations of the industry, its legal principles and regulation, among other topics.
2. The Federal Income Tax system
3. Retirement Planning
4. Investments : the types of investments and their application to financial planning
5. Estate Planning fundamentals
6. Estate Planning applications, factoring in gift tax principles, life planning, charitable contributions, etc.
7. Case Analysis for the application of financial planning techniques
8. “The Financial System” in the economy – the global financial system and its effects on financial services
9. Executive compensation, plan designs, ERISA, tax compliance issues
10. Financial Decisions for retirement

**Item 3. Disciplinary Information.**

The Investment Adviser Public Disclosure site states, regarding Mr. Roeser:

“Is this Investment Adviser Representative currently suspended with any jurisdiction? **No**”

“Are there events disclosed about this Investment Adviser Representative? **YES**” a regulatory event disclosed above in Item 9. .

**Item 4. Other Business Activities.**

Mr. Roeser is also a registered representative of the broker dealer, SagePoint Financial, and earns commissions on securities transactions. His clients are either broker dealer clients or advisory clients, but not both.

As noted above in Part 2A, if Mr. Roeser recommends a service, such as insurance products, to an advisory clients, and he himself will be the paid provider of that recommended service, such a situation inherently creates a potential conflict of interest. As a fiduciary he must recommend only those services and products that are in a client’s own best interest, free of any influence of possible gain for himself. The firm addresses this possible conflict of interest by disclosing it to the firm’s clients.

**Item 5. Additional Compensation.**

As described in Part 2A, Mr. Roeser may receive 12(b)-1 fees from the administrative fees investors pay to a mutual fund. If he recommends the purchase of mutual funds to his advisory clients, that recommendation does not create a risk for a conflict of interest, because he will not earn any 12(b)-1 fees for an advisory account.

**Item 6. Supervision.**

To a large extent, Mr. Roeser is his own supervisor, except that the broker dealer with whom he is a “statutory employee” also supervises him on a number of levels regarding his trading and compliance activities. He maintains on file in the firm’s offices reports of his proprietary trading activities and the formulation of his recommendations for the regulator to review at will.

**Item 7. State Registration requirements**

Mr. Roeser maintains his registration as an advisory representative of his firm.