



# Form ADV Part 2A

Last Updated: May 1, 2012

## VFG Advisors, Inc.

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*This brochure provides information about the qualifications and business practices of VFG Advisors, Inc. ("VFG"). If you have any questions about the contents of this brochure, please contact Glenn Martini at (972) 312-1337 and/or via email at [glenn@vfgroup.net](mailto:glenn@vfgroup.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about VFG also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*Although VFG may use the term "registered investment adviser" or use the term "registered" through this Form ADV Part 2A, the use of these terms is not intended to imply a certain level of skill or training.*

## **Item 2. Material Changes since Last Update**

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The U.S. Securities and Exchange Commission ("SEC") issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative "plain English" format. January 1, 2011, compliance with the Rule becomes mandatory. This Brochure and all subsequent Firm Brochures will be created in this new format.

### **Annual Update**

The Material Changes section of this brochure will be updated annually and/or when material changes occur since the previous release of VFG's Brochure. A summary of changes is necessary to inform clients of any substantive changes to VFG's policies, practices or conflicts of interests so that they can determine whether to review the brochure in its entirety or to contact VFG with questions about the changes.

This Brochure is dated May 1, 2012. The material changes to this Brochure from our prior Brochure dated June, 2011 are as follows.

The Chief Compliance Officer of VFG Advisors, Inc. has changed effective December 15, 2011 and is now Glenn S. Martini, MBA. Mr. Martini is located in our Plano, Texas office at: 1820 Preston Park Blvd., Suite 1155, Plano, TX 75093. He can be reached at (972) 312-1337 or [glenn@vfgroup.net](mailto:glenn@vfgroup.net).

Further, based on the new SEC registration standards, VFG Advisors, Inc. will begin relying on the SEC multi-state adviser registration exemption rule 203A-2(d). This means that VFG will be notice filed in no less than 15 states and remain a SEC-registered RIA.

### **Full Brochure Available**

Clients who would like to receive a complete copy of our Firm Brochure, please contact us by telephone at (310) 260-0022, by fax (310) 260-0055, by email at [compliance@vfgroup.net](mailto:compliance@vfgroup.net), or you are invited to visit our website at [www.vfgroup.net](http://www.vfgroup.net).

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## Item 4. Advisory Business

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VFG Advisors, Inc. ("VFG") is a registered investment adviser firm established in 2009 to provide investment advisory and financial planning services to individuals, pension and profit sharing plans, trusts, estates and charitable organizations (herein referred to as "Client" or "Clients").

### Principal Owners

For the purpose of this section, VFG lists its principal owners as any person/entity directly owning 25% or more of VFG as disclosed on Schedule A of Part 1A as of date of the last update filing.

VFG's principal owners are as follows:

- Vanclef Financial Group, Inc. is the parent company and direct owner of VFG with 100% ownership.
- Jason B. Vanclef is the direct owner of Vanclef Financial Group, Inc. with 100% ownership (see below for detailed background information on Jason B. Vanclef).

Name: Jason B. Vanclef  
Date of Birth: 1971  
Education: Cal Poly San Luis Obispo; B.S. in Biological Chemistry (1994)  
Background: VFG Advisors, Inc.; President (04/2009-Present)  
VFG Securities, Inc. Registered Principal/Advisory Rep. (10/2009- Present)  
Vanclef Financial Group, Inc.; President/CEO (01/2002-Present)  
Madison Avenue Securities, Inc. Registered Rep./Advisory Rep. (02/2007-10/2009)  
Sigma Financial Corp. Registered Representative (02/2006-02/2007)  
Licenses: FINRA Series 7 & 24; NASAA Series 66  
Designations: Graduate Estate Planning Consultant (GEPC)  
Certified Estate Planner (CEP)  
Registered Financial Consultant (RFC)

VFG is not a publicly held company and no part of VFG is owned by an individual or company through any subsidiaries or "intermediate subsidiaries."

### Types of Advisory Services Offered

#### Investment Management Services

VFG offers Clients investment advisory services as covered in the Investment Management Agreement ("IMA") where each Client may receive specific investment related consultative services. VFG may assist Client in determining, among other things, suitability, investment objectives, goals, time horizons, and risk tolerances within the Plan.

#### Use of Third-Party Money Managers

Investment Advisor Representatives (IARs) of VFG seek to provide access to third-party advisers that meet the criteria of the client as described herein. IARs may charge an annual fee based upon assets under management (see below), and as agreed upon in the VFG Advisory Services Agreement. Third-party advisers, under an agreement with VFG shall pay a solicitor's fee to IARs of VFG which generally ranges from 50 basis points to 1.00%, or as agreed upon. Third party advisers, under a separate agreement with Client, may charge administrative, management, and transaction fees in addition to the fees charged by VFG. Fees for third-party money management are generally payable quarterly in advance and are deducted from the money market balance by the manager from the account. If an account does not carry an adequate amount of cash in the money market to pay for management fees,

clients may be notified and may be required to liquidate an investment in order to fund the money market account.

In the selection of other advisers, VFG shall perform stringent due diligence review which includes, but is not limited to the following: gathering of Form ADV and other disclosure documentation of the adviser; conference call with portfolio managers; review of audited financial reports and other accounting documentation; review of investment style, objective and drift; and performance reporting. Only state or SEC registered investment advisers who are in good standing and have noticed filed in the State of California may be selected. Form ADV of the respective third party adviser is available upon request for more specific information.

### **Financial Planning Services**

VFG may also offer Clients financial planning services to include comprehensive or segmented (limited) financial plans, investment plans, and/or individual consultations regarding a Client's financial affairs. The design and implementation of a financial plan may begin with the process of gathering data regarding income, expenses, taxes, insurance coverage, retirement plans, wills, trusts, investments and/or other relevant information pertaining to a Client's overall financial situation. This information is carefully analyzed taking into account a Client's goals and stated objectives and a series of recommendations and/or alternative strategies will be developed and designed to achieve optimum overall results. Fees for such services are described in Item 5 Fees and Compensation section below.

### **Hourly Consultation Services**

In addition to offering investment management and financial planning services, VFG may also offer general consulting services on an hourly basis. For consultation services as provided by VFG, Client may agree to pay VFG an hourly rate ranging from \$200-\$500 per hour. This hourly consultation service may take the form of general consulting and/or general investment advice for individuals and/or institutions. It may also take the form of investment advice for individuals or institutions that do not meet the minimum requirement for the investment management service. Additionally, it may also take the form of corresponding and/or coordinating with attorneys, CPAs and/or other professionals, as well as document production and other administrative services.

### **Termination of Agreement**

For investment management services, clients who wish to terminate their agreement must notify VFG in writing directly to VFG within five (5) business days of its execution. If services are terminated within (5) business days of executing the client agreement, services will be terminated without penalty. After the initial five (5) business days, the client may be responsible for payment of fees for the number of days services are provided by VFG prior to receipt of the notice of termination. VFG shall refund any/all pre-paid unearned fees on a pro-rata basis.

For financial planning services, the request for refunds must be submitted in writing directly to VFG within five (5) business days from the date of the agreement. Either party may terminate the agreement with written notice to the other within thirty (30) days from the date of the agreement. Upon plan delivery, the agreement shall be considered terminated, and fees shall become due and payable.

For accounts with selected third-party money managers, the request for refunds is made directly to the custodian of assets (or third-party money manager) and is subject to their policies and procedures. Changes to fees after the establishment of the client account must be agreed to in writing by all parties. Termination of the account must be requested in writing to VFG at 632 Arizona Avenue, Santa Monica, CA 90401. See the Form ADV of the respective money management company and the VFG Investment Advisory Services Agreement for further details. Please refer to the VFG Financial Planning Agreement and/or the VFG Investment Advisory Services Agreement for complete terms and conditions for advisory services provided. A copy of these agreements is available upon request and at no obligation.

VFG may tailor its advisory services to the specific needs and objectives of each advisory client. Clients may also impose restrictions on investing in certain securities or types of securities. Most of which is generally covered in the client's investment advisory agreement or financial planning agreement.

## Wrap Programs

VFG does not participate in a wrap fee program at this time.

## Assets Under Management (AUM)

As of March 30, 2012, the number of client accounts and amount of client assets under advisement is as follows:

Discretionary:	\$00.00 (None)
Non-discretionary:	\$47,000,000.00 (130 Accounts)

VFG's method for computing the amount of "client assets you manage" is the same method for computing "assets under management." The amount as disclosed above is rounded to the nearest \$100,000. The date of the calculation above is not more than ninety (90) days before the date of this Brochure.

## Item 5. Fees and Compensation

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### Investment Management Fees

The following schedule describes the annual fees charged based on the amount of assets under management:

<u>Assets Under Management</u>	<u>Annual Fee*</u>
\$0-\$100,000	2.00%
\$100,001-\$500,000	1.75%
\$500,001-\$1,000,000	1.50%
\$1,000,001-\$1,500,000	1.25%
\$1,500,001-\$2,000,000	1.00%
\$2,000,001+	TBD

\* IAR's of VFG may offer discounted rates from the rates listed under Fee Schedule. Discounts are at the discretion of the IAR and must be mutually agreed to in writing in the VFG Investment Advisory Services Agreement, or in the VFG Financial Planning Agreement.

### Fees for Use of Third-Party Money Managers

VFG may charge an annual fee based upon assets under management (see above), and as agreed upon in the VFG Advisory Services Agreement. Third-party advisers, under an agreement with VFG shall pay a solicitor's fee to IARs of VFG which generally ranges from 50 basis points to 1.00%, or as agreed upon. Third-party advisers, under a separate agreement with Client, may charge administrative, management, and transaction fees in addition to the fees charged by VFG. Fees for third-party money management are generally payable quarterly in advance and are deducted from the money market balance by the manager from the account. If an account does not carry an adequate amount of cash in the money market to pay for management fees, clients may be notified and may be required to liquidate an investment in order to fund the money market account.

### Financial Planning Fees

Financial planning services are available at hourly rate ranging from \$200-\$500 per hour; at a fixed rate ranging from \$1000-\$5000; or on an annual basis which is calculated at an hourly rate ranging from \$200-\$500/hour as agreed upon in writing by all parties. Financial planning fees are due and payable upon receipt of a bill for planning services.

### Hourly Consulting Fees

Hourly consulting services are available at hourly rate ranging from \$200-\$500 per hour.

Fees charged to clients may be higher or lower than the aforementioned fees depending on the nature of any pre-existing relationship, the complexity of the accounts, or terms and conditions of any outstanding or pre-existing verbal or written agreement to which VFG is a party.

## **Item 6. Performance-Based Fees and Side-By-Side Management**

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Neither VFG or any of its *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle). Therefore, there are no conflicts of interest that VFG or its *supervised persons* may face by managing these accounts at the same time, to include any incentive to favor accounts for which VFG or its *supervised persons* receive a *performance-based fee*.

## **Item 7. Types of Clients**

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VFG provides investment advisory and financial planning services to individuals, pension and profit sharing plans, trusts, estates and charitable organizations.

### **Requirement for Opening Accounts (Minimum Investment Amount)**

VFG's fee range for each particular service is subject to negotiation and could vary depending upon various circumstances, including the scope of the services to be provided (the fee ranges for existing clients prior to current calendar year may differ from those indicated). However, VFG does not impose certain requirements for opening and/or maintaining an account, such as a minimum account size or minimum fees and fee ranges.

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

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### **Methods of Analysis**

VFG's securities analysis methods may include charting, fundamental analysis and technical analysis.

As with most investment products, because investment portfolios include securities, investing in securities involves risk of loss that you as our client should be prepared to bear.

### **Use of Significant Investment Strategy**

VFG does not use of significant investment strategy at this time. However, in the event that VFG employs a frequent trading strategy for its clients, it is important to note that such a strategy can have an affect on investment performance, particularly through increased brokerage and other transaction costs and taxes.

VFG does not recommend any particular type of security as part of its overall investment advisory services.

## **Item 9. Disciplinary Information**

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### **Disclosure Events**

There are no disclosure events involving a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which VFG or its management personnel are involved.

There are no disclosure events involving an administrative proceeding before the SEC, any other federal regulatory agency, or any foreign financial regulatory authority in which VFG or its management personnel are involved.

There are no disclosure events involving A self-regulatory organization (SRO) proceeding in which VFG or its management personnel are involved.

However, VFG was recently served notice of a complaint by the State of Colorado's state regulatory agency for employment of an unlicensed salesperson/investment adviser representative, Case Number XY-2011-001.

In March 2010, an Investment Adviser Representative in Colorado decided to become affiliated with and move to VFG. The IAR filed an application to be associated with VFG and VFG filed an application to become registered in Colorado. Colorado approved the IAR as a registered representative with VFG's affiliated broker dealer then withdrew the approval without notification to VFG or IAR/RR. Colorado subsequently sought certain documentation from VFG and the IAR/RR. No proceeding was instituted within 30 days of the filing of the additional documentation. VFG contends that under operation of law pursuant to C.R.S. §11-51-406(1)(A) the applications were approved 30 days after filing. VFG Also contends it provided all information requested of it by the State of Colorado. VFG therefore permitted the IAR/RR to engage in securities and advisory business in the State of Colorado. Colorado however contends it did not receive all information requested and did not approve the IAR/RR's application.

While the action was filed 10/28/2011, VFG'S outside counsel received and contended the action was not a proper service on VFG and no further action was taken with regard to disclosure. This was confirmed 1/26/2012. On 12/15/11 VFG replaced its Chief Compliance Officer. On 1/3/2012 VFG replaced its outside counsel. On 3/9/2012 VFG's new outside counsel advised proper service and appropriate disclosure relative to Form ADV, question 11G. While the matter is still currently pending, VFG has been diligently working with the State of Colorado to promptly resolve this matter.

## **Item 10. Other Financial Industry Activities and Affiliations**

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### **Broker/Dealer Affiliation**

Jason B. Vanclef is a Series 7 Registered Representative and Series 24 General Securities Principal of VFG Securities, Inc., a registered broker/dealer, member FINRA/SIPC, and a Series 66 Investment Adviser Representative of VFG Advisors, Inc. As such, Mr. Vanclef may recommend securities products for a commission. This could present a potential conflict of interest in that Mr. Vanclef could receive fees and commissions if the client chooses to implement recommendations made in his capacity as a registered representative. However, the client is under no obligation to purchase products that Mr. Vanclef may recommend, or to purchase products through VFG. All material conflicts of interest are disclosed regarding VFG which could be reasonably expected to impair the rendering of unbiased and objective advice.

Neither VFG nor any of its *management persons* are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

On occasion, VFG and its *management persons* may own securities products that are managed and custodied by institutional, third-party money managers that are also recommended to clients which may present a potential conflict of interest. Such securities are kept in separate accounts by said money managers and are not commingled.

Additionally, as a preventative measure, all client transactions will be conducted and implemented before any such transaction relating to any personal accounts of any affiliated persons of VFG. In addition to this measure, all of the aforementioned *management persons* of VFG will act in accordance with



applicable securities laws and conduct their business to ensure overall compliance with Insider Trading rules and the Securities Fraud Enforcement Act of 1988.

In the event the client chooses to purchase investment products through VFG's *management persons*, in their individual capacities as registered representatives, they may receive brokerage commissions to effect securities transactions. The brokerage commissions charged by VFG may be higher or lower than those charged by other broker-dealers. In addition, VFG, as well as VFG's *management persons* (as applicable), relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

IARs may also provide securities products through a non-affiliated broker/dealer and may be paid a commission for said products. Clients of VFG are under no obligation to act upon the recommendations made by IARs of VFG nor are they required to effect said securities transactions through an IAR of VFG in their capacity as a registered representative of a non-affiliated broker/dealer firm. Lower fees for comparable services may be available from other sources.

### **Insurance Products**

VFG maintains certain relationships and/or arrangements that are material to its advisory business or to its clients that VFG or its management persons may have with a related person. For example, Jason B. Vanclef, President and CEO of VFG Advisors, Inc., also performs executive duties as President and CEO of Vanclef Financial Group, a licensed life insurance agency. He is a Series 7 Registered Representative and Series 24 General Securities Principal of VFG Securities, Inc., a registered broker/dealer, member FINRA/SIPC, and a Series 66 investment adviser representative of VFG Advisors, Inc. Mr. Vanclef offers securities products and services to clients for which he may receive a commission or fee. Mr. Vanclef is also a licensed life insurance agent in the state of California and offers insurance products through carriers in which he is appointed and for which he may be paid a commission, and in such capacity, may recommend, on a fully disclosed basis, the purchase of certain insurance-related products which may present a potential conflict of interest between VFG's interests and those of its advisory clients. However, clients are under no obligation to purchase products VFG or its management persons may recommend, or to purchase products or services through VFG or its *management persons*.

### **Selection of Other Investment Advisers**

VFG may recommend or select other investment advisers for its *clients* and receive compensation directly or indirectly from those advisers that may create a conflict of interest (see *Item 4 Advisory Business: Use of Third-Party Money Managers* above for further details)

### **Disclosure of Material Conflicts**

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding VFG, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

## **Item 11. Code of Ethics, Participation/Interest in *Client* Transactions and Personal Trading**

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### **Code of Ethics**

VFG's Code of Ethics is based upon the principle that VFG and its employees owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The purpose of VFG's Code of Ethics is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading, and other forms of prohibited or unethical business conduct. As such, VFG and its employees are prohibited from engaging in fraudulent, deceptive, or manipulative conduct. VFG and its employees have an affirmative duty of utmost good faith to act solely in the best interest of its clients.

VFG has adopted the following Code of Ethics in accordance with applicable state requirements:

- **Fiduciary Responsibility-** VFG and its staff shall exercise the highest standard of care in protecting and promoting the interests of its clients, and will provide a written disclosure containing any conflicts of interest that may compromise their impartiality or independence. As fiduciary, VFG shall not accept any referral fees or compensation that is contingent upon the purchase or sale of any financial product.
- **Integrity-** All professional services shall be rendered with the highest level of integrity.
- **Objectivity-** VFG and its staff shall provide advice that is objective and in the best interest of the client and without conflicts of interest.
- **Competence-** VFG and its staff shall maintain the necessary knowledge and skills to provide our clients with competent advice and services.
- **Fairness-** All professional services shall be performed by VFG and its staff in a manner that is fair and reasonable to its clients.
- **Confidentiality-** VFG and its staff shall maintain and safeguard all confidential client information in accordance with applicable laws.
- **Diligence-** VFG and its staff shall ensure the accuracy and completeness of records, information, and data collected, used and managed, and will take necessary steps to correct any discrepancies.
- **Regulatory Compliance-** VFG and its staff shall comply fully with appropriate laws and internal regulations.

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

### **Participation/Interest in Client Transactions**

On occasion, VFG and its *management persons* may own securities products that are managed and custodied by institutional, third-party money managers that are also recommended to clients which may present a potential conflict of interest. Such securities are kept in separate accounts by said money managers and are not commingled. Additionally, as a preventative measure, all client transactions will be conducted and implemented before any such transaction relating to any personal accounts of any affiliated persons of VFG. In addition to this measure, all of the aforementioned *management persons* of VFG will act in accordance with applicable securities laws and conduct their business to ensure overall compliance with Insider Trading rules and the Securities Fraud Enforcement Act of 1988.

In the event the client chooses to purchase investment products through VFG's *management persons*, in their individual capacities as registered representatives, they may receive brokerage commissions to effect securities transactions. The brokerage commissions charged by VFG may be higher or lower than those charged by other broker-dealers. In addition, VFG, as well as VFG's *management persons* (as applicable), relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

IARs may also provide securities products through a non-affiliated broker/dealer and may be paid a commission for said products. Clients of VFG are under no obligation to act upon the recommendations made by IARs of VFG nor are they required to effect said securities transactions through an IAR of VFG in their capacity as a registered representative of a non-affiliated broker/dealer firm. Lower fees for comparable services may be available from other sources.

## **Item 12. Brokerage Practices**

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### **Research and Other Soft Dollar Benefits**

Regarding research and other soft dollar benefits, VFG does not receive research (both proprietary and non-proprietary) or other products or services other than execution services from a broker/dealer or a third party in connection with *client* securities transactions (otherwise known as “soft dollar benefits”).

### **Brokerage for Client Referrals**

VFG does not have discretionary authority over the type or amount of securities to be bought or sold, broker or dealer to be used or commission rates paid.

### **Directed Brokerage**

Regarding directed brokerage arrangements, VFG does not routinely recommend, request or require that *clients* direct VFG to execute transactions through a specified broker-dealer. However, in the event that VFG permits a *client* to direct brokerage, VFG may be unable to achieve most favorable execution of *client* transactions. It is important to note that directed brokerage arrangements may cost *clients* more money. For example, in a directed brokerage account, the *client* may pay higher brokerage commissions because VFG may not be able to aggregate orders to reduce transaction costs, or the *client* may receive less favorable prices.

### **Aggregation of Client Orders**

It is VFG's policy to aggregate client transactions where possible and when advantageous to clients. VFG will not aggregate trades unless aggregation is consistent with its duty to seek best execution and the terms of VFG's investment advisory agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client. Each client that participates in an aggregated order will participate at the average share price for that aggregated order's trade(s) in that security on a given business day. In those instances where it is not possible to purchase or sell the total position for all the accounts involved in a given trade, there shall be a pro rata division amongst the accounts participating in the combined security transaction so that each account receives or delivers the same portion or percentage of the reduced trade that they would have received in the total trade. Odd lot and other minimal share lots may be allocated at the trader's discretion.

## **Item 13. Review of Accounts**

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VFG Advisors invites clients for frequent account reviews with their investment advisor representative. Because VFG does not have discretionary authority over client accounts, accounts are reviewed at the request and approval of the client. If and when an account is reviewed, overall investment management, market prospects and individual issue prospects are considered in the review process. Triggering factors that may affect an account review could be any material change in a client's account such as a change in company earnings, industry/company outlook as well as other economic factors. All account reviews are conducted by the investment adviser professional assigned to each account. VFG investment adviser representatives will contact all clients at least annually to encourage a review of their financial objectives, account performance as well other relevant factors.

The nature and frequency of reports are determined by client need and the services offered. However, clients receive a detailed paper statement of their account from third party money manager(s) each month. Client account billing is reflected on quarterly statements provided by third-party money manager(s). Clients also have daily account viewing access via the money manager's secure web site

## **Item 14. Client Referrals and Other Compensation**

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### **Receipt of Economic Benefit (non-client)**

VFG does not receive an economic benefit for providing investment advice or other advisory services from someone who is not a client.

### **Direct/Indirect Compensation for Client Referrals**

Neither VFG nor any of its related persons directly or indirectly compensate any person who is not its supervised person for client referrals.

## **Item 15. Custody**

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VFG does not maintain custody of client funds and/or securities. Therefore, clients will receive their monthly and/or quarterly account statements directly from the designated broker/dealer, bank, money manager or other qualified custodian of record and therefore should carefully review those statements for accuracy. In the event that clients also receive account statements from VFG, it strongly encourages each client to compare the account statements they receive from the qualified custodian with those received from VFG.

## **Item 16. Investment Discretion**

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VFG does not have or accept discretionary authority to manage securities accounts on behalf of clients.

## **Item 17. Voting Client Securities**

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VFG does not have the authority to vote client proxies and therefore is not required to take action or render advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which assets of the clients account(s) may be invested from time to time. *Clients* will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients may contact VFG directly at (310) 260-0022 if they have any questions regarding a particular solicitation.

For portfolios subject to ERISA, responsibility for proxy voting will be determined by the plan document. If an account is managed by a money manager/sub-adviser, the sub adviser will retain voting authority for that account.

## **Item 18. Financial Information**

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### **Pre-Payment of Fees**

VFG does not require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance.

### **Material Impact of Discretionary Authority**

VFG does not exercise discretionary authority over certain client funds or securities. However, VFG does not anticipate any financial condition that may be reasonably likely to impair its ability to meet contractual commitments to clients at this time.

### **Custody Disclosure**

VFG does not have custody of client funds or securities. Please see Custody section above for further details.

### **Bankruptcy Disclosure**

VFG has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Item 19. Requirements for State-Registered Advisers**

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### **Executive Officers and Management Persons**

The following is a list of all principal executive officers and *management persons*, to include their formal education and business background information:

**Name:** Jason B. Vanclef  
**Date of Birth:** 1971  
**Education:** Cal Poly San Luis Obispo; B.S. in Biological Chemistry (1994)  
**Background:** VFG Advisors, Inc.; President (04/2009-Present)  
VFG Securities, Inc. Registered Principal/Advisory Rep. (10/2009- Present)  
Vanclef Financial Group, Inc.; President/CEO (01/2002-Present)  
Madison Avenue Securities, Inc. Registered Rep./Advisory Rep. (02/2007-10/2009)  
Sigma Financial Corp. Registered Representative (02/2006-02/2007)  
**Licenses:** FINRA Series 7 & 24; NASAA Series 66  
**Designations:** Graduate Estate Planning Consultant (GEPC)  
Certified Estate Planner (CEP)  
Registered Financial Consultant (RFC)

**Name:** Glenn Martini  
**Date of Birth:** 1959  
**Education:** The Union Institute & University, Cincinnati, OH; B.A. in International Business (1998)  
**Background:** VFG Advisors, Inc.; Vice President/Chief Compliance Officer (02/2009-Present)  
VFG Securities, Inc.; Vice President/Chief Compliance Officer (02/2009-Present)  
Madison Avenue Securities, Inc. VP/Chief Compliance Officer (08/2007-03/2009)  
Centara Capital Securities, Inc., Director, Chief Compliance Officer (03/2005-08/2007)  
Multi-Financial Securities Corp.; Financial Consultant (01/2002 through 02/2005)  
**Licenses:** FINRA Series 6, 7, 24 & 99; NASAA Series 63 & 65

All advisory fees to include performance-based fees and how these fees will be calculated are previously disclosed above.

All material facts involving disclosure events for management persons are previously disclosed above.

All relationships or arrangements involving management persons are previously disclosed above.

## **Privacy Policy**

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### **Privacy Policy Notice**

Your privacy is important to us. Your personal information is kept secure. Under federal and state law, you have a right to know what information is being collected about you and how that information will be used. VFG collects nonpublic personal information about you from the following sources:

- Information VFG receives from you on applications or other forms.
- Information about your transactions with VFG; and
- Information that you specifically have had your other professional advisors forward to VFG.

VFG does not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law, or as directed by you:

- Under law, the information VFG collects is provided to companies that perform support services on our behalf as necessary to effect, administer, or process a transaction, or for maintaining and servicing your account;
- As directed by you, VFG will be working with your other professional advisors and VFG will provide information in our possession that is reasonably requested by the other advisors.

VFG does not give or sell information about you or your accounts to any other company, individual or group. VFG restricts access to nonpublic personal information about you to those employees who need to know that information to provide services to you. VFG maintains physical, administrative, and technical procedural safeguards to protect your nonpublic personal information. You do not need to call or do anything as a result of this notice. It is meant to inform you of how VFG safeguards your nonpublic personal information.