

## **Newbridge Financial Services Group, Inc.**

1451 W. Cypress Creek Road  
Suite 204  
FT. Lauderdale, FL 33309  
Phone (954) 334-3450  
Fax (954) 541-8689

[www.newbridgefsg.com](http://www.newbridgefsg.com)

**March 31, 2015**

### **Form ADV Part 2A Brochure**

Newbridge Financial Services Group, Inc. is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Newbridge Financial Services Group, Inc. If you have any questions about the contents of this brochure, please contact us at (954) 334-3450. 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 Newbridge Financial Services Group, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes - Item 2**

**Revised: March 31, 2015**

On March 31, 2015, we filed our annual updating amendment filing and amended Item 4 of this Brochure to reflect total assets under management of \$103,291,805.

## Table of Contents

### Contents

Advisory Business - Item 4 .....	4
Fees and Compensation - Item 5 .....	7
Performance-Based Fees and Side-By-Side Management - Item 6.....	10
Types of Clients - Item 7 .....	10
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8 .....	10
Disciplinary Information - Item 9 .....	12
Other Financial Industry Activities and Affiliations - Item 10 .....	13
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11 .....	14
Brokerage Practices - Item 12 .....	14
Review of Accounts - Item 13 .....	16
Client Referrals and Other Compensation - Item 14 .....	16
Custody - Item 15 .....	17
Investment Discretion - Item 16 .....	17
Voting Client Securities - Item 17.....	17
Financial Information - Item 18.....	17
Requirements for State-Registered Advisors - Item 19.....	18

#### **Advisory Business - Item 4**

Newbridge Financial Services Group, Inc. (hereinafter "NFSG") is a registered investment adviser based in Fort Lauderdale, Florida. We are a corporation organized under the laws of the State of Florida. NFSG has been registered with the SEC since 2007. The Firm's principal owner is Newbridge Financial, Inc. which is also the parent company to Newbridge Securities Corporation, a securities broker-dealer and member firm of the Financial Industry Regulatory Authority ("FINRA"). Newbridge Financial, Inc. is primarily owned by Guy S. Amico and Scott H. Goldstein.

We provide the following services:

- **Portfolio/Asset Management Services**
- **Selection of Third Party Managers**
- **Financial Planning**

The following paragraphs describe what we do and what we charge. Each investment advisory service is listed below and describes how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm.

#### **Portfolio/Asset Management Services**

We offer discretionary and non-discretionary portfolio management services through the Newbridge Financial Managed Wrap Program. (See Wrap Program disclosures below and the *Wrap Fee brochure - Appendix 1*). Our portfolio/asset management services are offered to individuals and institutions desiring investments in equity and fixed income products. The investment advisory services offered by NFSG generally include portfolio management, investment advice and consulting services, performance reporting, and related account services.

NSFG manages client portfolios on either a discretionary or non-discretionary basis. We tailor our advisory services to the individual needs of clients. Investment recommendations are determined based upon the analysis of the client's investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other suitability factors. Restrictions and guidelines imposed by the client may affect the composition and performance of custom portfolios (as a result, performance of custom portfolios within the same investment objective may differ and the client should not expect that the performance of his/her custom portfolios will be identical to any other individual's portfolio performance). We then monitor your portfolio's performance on an ongoing basis and rebalance the portfolio whenever necessary due to changes that occur in market conditions, your financial circumstances, or both.

As referenced above, NSFG offers discretionary and non-discretionary portfolio management services to our clients and prospective clients. Discretionary portfolio management services means that once the portfolio has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This authority is granted to us by you in a written agreement. This allows our firm to decide on specific securities, the quantity of the securities and the execution of buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is done using either the investment advisory agreement you sign with our firm, a limited power of attorney

agreement, or trading authorization forms. You may limit this authority by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. The non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

We create your investment portfolio depending upon what we decide would work best for you. Generally, we customize your investment portfolio by investing in a diversified portfolio consisting of equities, exchange traded funds (ETFs) and/or exchange traded notes (ETNs), mutual funds, fixed income securities, and other types of investments as deemed appropriate for your risk profile and investment goals. Our investment approach involves selectively allocating assets among various asset classes in a manner that is consistent with your risk tolerance and return objectives.

### **Selection of Third Party Managers**

NFSG has entered into agreements with various other third party investment advisers ("Third Party Advisory Service") for the provision of certain investment advisory services. NFSG will provide individualized advisory services to their clients through the selection of a suitable Third Party Advisory Service. Factors considered in the selection of a Third Party Advisory Service include but may not be limited to: i) NFSG's preference for a particular Third Party Advisory Service; ii) the client's risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of client assets available for investment. In order to assist clients in the selection of a Third Party Advisory Service, an Associated Person of NFSG will typically gather information from the client about the client's financial situation and investment objectives.

NFSG then selects a Third Party Advisory Service for the management of a portion of or your entire portfolio. Portfolio customization is achieved by blending traditional investment strategies with an allocation to asset classes. The investment strategy may embrace value, growth or contrarian investing styles. Typically, the third party investment manager will exercise discretion in the management of client accounts. This means that the manager selected will have the ability to buy and sell securities in your account without obtaining your approval. NFSG and its Associated Persons will not manage, or obtain discretionary authority over the assets in accounts participating in these programs; however, clients may grant NFSG the discretionary authority to hire and fire such third party managers.

NFSG limits its investment advice to equity/fixed income/mutual funds/alternative investments. Generally, clients may not impose restrictions on investing in certain securities or types of securities in accounts managed by a Third Party Advisory Service.

Associated Persons of NFSG will periodically review reports provided to the client. An Associated Person of NFSG will contact the client at least annually or more often as agreed upon with each client, to review the client's financial situation and objectives.

### **Financial Planning Services**

NFSG provides advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

NFSG may prepare a written financial plan as part of its financial planning services. This plan will include consultation, analysis, and recommendations in one or more of areas of financial planning, including, but not limited to: (1) financial situation; (2) income taxes; (3) insurance; (4) investments; (5) retirement planning; and (6) estate planning.

In order to determine the proper course of action for an individual client, NFSG performs reviews of the variables that are presented, such as investment objectives, consideration of the client's overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to the client's particular circumstances. NFSG then reviews the client's financial situation and issues a written analysis and report of recommendations in accordance with the client's goals and objectives.

This service may include an initial consultation and additional follow-up visits. NFSG, unless engaged separately to do so, will not be responsible for the implementation of the plan. The client assumes full responsibility for the implementation of the plan. The services provided in this regard often include the following:

- Preparation of an annual net worth statement;
- Create a cash flow statement;
- Review current investments and make recommendations thereon;
- Review client's most recent tax returns and provide tax advice;
- Review client's life insurance and disability insurance;
- Review client's estate plan and make recommendations thereon;
- Complete a retirement analysis; and
- Provide education planning advice.

NFSG may also provide individualized consultations and advisory services not related to its financial planning activities. Such services involve, but would not be limited to, the following:

- individual portfolio review/analysis and an asset allocation recommendations; and
- hourly consulting related to a client's current or prospective portfolio holdings.

#### **Wrap Fee Program**

We are a portfolio manager to and sponsor of a wrap fee program, the Newbridge Financial Managed Wrap Program. A wrap fee program combines portfolio management, advisory services and trade execution for a single fee. NFSG, as an investment adviser is responsible for the research, security selection and implementation of transaction orders in your account. The transactions in your account will be executed by COR Clearing LLC ('COR'). NFSG receives a portion of the wrap fee for portfolio management services. COR will also receive a portion of the fee for trade execution expenses. The terms and conditions under which a client participates in NFSG's wrap fee program will be set forth in a written agreement between the client and NFSG. The overall cost incurred from participation in our wrap fee program may be higher or lower than if the services were purchased separately.

Our investment or portfolio management services are offered solely through the Newbridge Financial Managed Wrap Program. We do not offer portfolio management services outside of the program or in a non-wrap capacity. Therefore, there are no differences in the portfolio management of client accounts.

**Newbridge Financial Services Group, Inc.**

Form ADV Part 2A

Page 7

Additional information about the wrap fee program is available in the Newbridge Financial Managed Wrap program brochure, which appears as Appendix 1 of the firm's Form ADV.

Clients may be placed in wrap fee programs through our Third Party Advisory services. Please refer to the Third Party Investment Advisor's Appendix 1 – the Wrap Fee brochure for further information pertaining to these services.

**Assets Under Management**

As of December 31, 2014, we manage \$52,988,699 in Client assets on a discretionary basis, and \$50,303,106 in Client assets on a non-discretionary basis.

**Fees and Compensation - Item 5**

We are compensated for our advisory services by assessing fees based on assets under management, on a fixed rate or hourly basis. For our portfolio management services we charge fees according to the following schedule:

**Portfolio/Asset Management Service Fees**

We charge our fee based upon an annual percentage of the market value of the assets being managed as set forth in the following fee schedule:

<b>Tiered</b>	<b>Annual Fee Rates</b>		
<b>Eligible Assets by Category</b>	<b>Equity Assets</b>	<b>Mutual Fund Assets</b>	<b>Fixed Income &amp; Cash Assets</b>
<b>First \$500,000</b>	<b>2.00%</b>	<b>1.00%</b>	<b>0.50%</b>
<b>Next \$500,000</b>	<b>1.75%</b>	<b>0.75%</b>	<b>0.45%</b>
<b>Next \$1,000,000</b>	<b>1.50%</b>	<b>0.50%</b>	<b>0.40%</b>
<b>Next \$1,000,000</b>	<b>1.00%</b>	<b>0.35%</b>	<b>0.35%</b>
<b>Over \$3,000,000</b>	<b>Fee is negotiable.</b>		

\*Up to two client accounts may be aggregated for fee calculations. We impose an account minimum of \$50,000 on the first account and a \$25,000 minimum on the second account.

*Clients also have the option of electing a flat fee schedule negotiated between themselves and their Investment Adviser Representative based on the market value of the assets being managed in accordance with the negotiated fees which range from 1% - 2.50%.*

Our fee is payable in advance on a quarterly basis. We calculate your portfolio management fee on the market value of your assets under management as of the last business day of the previous calendar quarter. For the initial period of investment management services, the first period's fees are calculated on a pro-rata basis.

Fees are automatically deducted from your account quarterly. Your account custodian will provide you with a quarterly statement reflecting the deduction of our advisory fee. If you choose to terminate our service, you may do so by written request. We require 30 days' written notice to terminate the

management agreement. Upon cancellation, our management fee will be pro-rated for the quarter in which the cancellation notice was given and any unearned fees will be returned to you.

#### **Selection of Third Party Managers**

NFSG will not directly charge its clients for advisory services pertaining to the selection of third party managers. Rather, the third party managers that are managing the client's assets will charge the fees for the services provided. NFSG will enter into all appropriate agreements whereby NFSG will receive a portion of the fees charged to the client.

#### **Financial Planning Fees**

NFSG's fees for a written financial plan may be affected by several factors such as the complexity of the work provided to the client, the responsibility assumed by NFSG, the potential benefit resulting to the client and the probability of complications that may arise. Although not an all-inclusive list, the following factors generally impact the fee charged to a client.

- investment objectives;
- consideration of the client's overall financial condition;
- net worth;
- income and tax status, personal and business assets;
- marital status;
- number of dependents, previous investment experience; and
- other factors unique to the client's particular circumstances.

A financial plan is designed to assist the client with all aspects of financial planning without ongoing investment management after the financial plan is completed. The financial plan may be either a comprehensive plan or a review of specific financial assets. NFSG's standard fee for a comprehensive plan is \$2,500 or ranges from \$2,500 to \$10,000. Fees are based upon the complexity and the anticipated amount of time involved. All fees are negotiable between the planner and clients with consideration of the anticipated work hours needed and the extent of evaluation involved. If you decide to implement your financial plan by agreeing to our portfolio/investment management services we may decide to offset all or a portion of your financial planning fees.

NFSG also offers clients investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. NFSG also provides specific consultation and administrative services regarding investment and financial concerns of the client. Clients may elect to pay an hourly rate for investment advice without a plan. The standard hourly rate is \$250.

In the event that a client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided by mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

After delivery of a financial plan, future face-to-face meetings may be scheduled as necessary for up to one month. Additional implementation work is billed separately at a rate of \$250 per hour. Limited scope engagements are also billed at \$250 per hour.



Prior to engaging NFSG to provide financial planning services, the client will generally be required to enter into a written agreement with us. The agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the portion of the fee that is due from the client. Generally, NFSG requires one-half of the consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon the completion of the agreed upon services. We will not require prepayment of a fee more than six months in advance and in excess of \$1,200. Either party may terminate the agreement by written notice to the other. In the event the client terminates NFSG's consulting services, the balance of NFSG's unearned fees (if any) shall be refunded to the client.

#### **Additional Fees and Expenses**

In certain circumstances, our advisory fees may be negotiable based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders which are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

Advisory recommendations are based on your financial information and situation disclosed to us at the time the services are provided. You are advised that certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. As your financial situation, goals, objectives, or needs change, you must notify us promptly.

#### **Compensation for the Sale of Securities or Other Investment Products**

##### *Registered Representatives:*

Associated Persons who provide investment advice on behalf of our Firm are also registered representatives with our affiliated broker-dealer, Newbridge Securities Corporation ("NSC"). NSC is a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA"). As a registered representative, an Associated Person may receive commission-based compensation for buying and selling securities, including 12b-1 fees (trails) for the sale of mutual funds or annuity products. This commission compensation is separate and in addition to NFSG's advisory fees. NFSG's advisory clients are not obligated to purchase the products or services of NSC. You may purchase or sell securities apart from your advisory account at the brokerage firm of your choice.

We may recommend that you purchase a new security issue to be included in your investment portfolio(s). Associated Persons of our firm may earn commissions on the sale of these types of securities as registered representatives of NSC. If these persons earn commission on the sale of these types of securities recommended to you, we will not include the asset values in the total valuation used for our advisory billing/fee computation for one year. After the one year period, the valuation of the assets may be added to the total assets under management for advisory fee purposes. For alternative or illiquid securities not traded on any exchange, NFSG will not include such securities in the assets under management valuation for advisory fee billing purposes.

*Insurance Agents:*

Associated Persons who provide investment advice on behalf of NFSG may also be licensed insurance agents. As an insurance agent, an Associated Person may receive commission-based compensation for sale of insurance products. This commission compensation is separate and in addition to NFSG's advisory fees. Advisory clients are not obligated to purchase insurance products or services offered by an Associated Person of NFSG.

The sale of mutual funds, annuity contracts, insurance instruments and other commission products offered by Associated Persons of NFSG are intended to complement NFSG's advisory services. However, a conflict of interest exists due to the receipt of dual forms of compensation. Principals of NFSG regularly review client transactions to ensure that NFSG is acting in the best interest of its clients.

NFSG recommends many types of securities, including mutual funds to its advisory clients. Where NFSG does recommend a mutual fund to an advisory client, NFSG will generally recommend a no-load mutual fund. In situations outside of NFSG's advisory accounts where Associated Person(s) acting in the capacity of a registered representative of NSC recommends a mutual fund, both no-load and 'loaded' funds options will be presented to the client. It may be the case that NFSG will receive advisory fees in addition to commissions and/or markups on securities. In this situation, NFSG will offset or reduce its advisory fees by the amount of the commission and/or mark-up received.

All conflicts of interest between you and NFSG, and the Associated Persons of our firm, are outlined in this Disclosure Brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated Disclosure Brochure.

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

NSFG does not charge performance based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets.

**Types of Clients - Item 7**

We offer investment advisory services to individuals, high net worth individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, and business entities.

We require a minimum of \$50,000 to open and maintain an advisory account. We may, at our sole discretion, waive this requirement.

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

The following are different methods of analysis that we may use when providing you with investment advice:

- **Cyclical Analysis** – A form of fundamental analysis involving the process of making investment decisions based on the different stages an industry is at during a given point in time. The type of position taken will depend on firm specific characteristics, as well as where the industry is at in its life cycle.
- **Fundamental Analysis** – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- **Technical Analysis** – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

We may use one or more of the following investment strategies when advising you on investments:

- **Long Term Purchases** – securities held for over a year.
- **Short Term Purchases** – securities held for less than a year.
- **Trading** – securities held for less than 30 days.

The investment advice provided along with the strategies suggested by NFSG will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments you intend to invest in.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Our investment advice and strategies vary and are dependent upon each client's specific financial situation, goals and objectives. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

#### **Disciplinary Information - Item 9**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. While NFSG has not specifically been the subject of any material disciplinary events, its affiliated broker-dealer, Newbridge Securities Corporation has been the subject of various industry related disciplinary actions, of which some are considered to be material events, resulting in fines, suspensions, and other actions taken against the firm, its principals and owners. To view the full disciplinary and other history of Newbridge Securities Corporation, please visit <http://brokercheck.finra.org/Search/Search.aspx> for details or contact NFSG. In addition, any disciplinary information related to your specific Investment Adviser Representative ("IAR") will be found in the brochure supplement you will receive separately upon opening of any account or whenever requested.

Scott H. Goldstein and Guy S. Amico are shareholders of Newbridge Financial, Inc., the parent company to Newbridge Securities Corp. ("NSC") and Newbridge Financial Services Group, Inc. ("NFSG").

On October 7, 2003, without admitting or denying the allegations, Scott Goldstein consented to the findings of the Financial Industry Regulatory Authority, Inc. ("FINRA") that NSC acting through Mr. Goldstein violated NASD Rules 2110 and 3010 by failing to supervise its registered representatives adequately by failing to detect apparent trading irregularities and inconsistent trading recommendations to public customers. NSC, acting through Mr. Goldstein failed to establish, maintain, and enforce a supervisory system with a view towards preventing high pressure sales tactics, unauthorized trading, misrepresentations or omissions and unwarranted price projections. Mr. Goldstein was fined \$10,000 and suspended from association with any FINRA member in any capacity for 30 days. The suspension was effective December 17, 2003 to close of business January 15, 2004.

On or around July 23, 2010, the SEC confirmed its decision regarding the issuance of an Order instituting Public Administrative and Cease-and-Desist proceedings pursuant to Section 8A of the Securities Act of 1933, and Sections 15(B) and 21C of the Securities Exchange Act of 1934 (Order) against Scott H. Goldstein and Guy S. Amico. The Division of Enforcement alleges in the Order that in 2003 and 2004, while associated as a registered representative with a member firm, an individual used the firm's market

making capacity to manipulate shares of stocks. The Order further alleges that the firm and representative participated in the unregistered distribution of securities. The Order further alleges that Mr. Goldstein, the firm's Chief Executive Officer, and Mr. Amico, the firm's President, failed to reasonably supervise the individual in connection with his activities in the securities. The Order in that decision imposed a Bar upon Mr. Goldstein and Mr. Amico from associating with any broker or dealer in a supervisory capacity with a right to file for reinstatement after two years, and imposing on each a civil monetary penalty of \$79,000 was declared effective on July 23, 2010.

In August 2010, without admitting or denying the findings, Scott H. Goldstein and Guy S. Amico consented to the findings of the Financial Industry Regulatory Authority, Inc. ("FINRA") that: (1) they failed to adequately supervise the Chief Compliance Officers (CCOS) and Anti-Money Laundering Compliance Officers (AMLCOS) and knew, or should have known of substantive violations of FINRA rules and the potential inadequacy of firm compliance personnel; (2) the firm's Anti-Money Laundering (AML) compliance program as administered by its CCOS/AMLCOS did not fully comply with the requirements of the Bank Secrecy Act and regulations thereunder and therefore violated NASD Rule 3011; and (3) the firm through its CCOS/AMLCOS, failed to report numerous customer complaints reportable under NASD 3070(C) and other reportable events under 3070(B); and (4) failed to make Forms U4 or U5 amendments to report disclosable events. Mr. Goldstein and Mr. Amico were each fined \$100,000 and suspended from association with any FINRA member in any principal capacity for one year and required to complete eight hours of AML training.

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

Newbridge Financial Inc., a financial services holding company, is the parent company to Newbridge Financial Services Group, Inc. and Newbridge Securities Corporation.

#### **Registrations with Broker-Dealer**

Our affiliate, Newbridge Securities Corporation ("NSC") is registered as a broker-dealer, and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Associated Persons of NFSG are also registered principals and/or representatives with NSC. As dually licensed representatives, Associated Persons will receive commissions from the purchase and sale of securities and annuity products. This commission revenue is separate and in addition to revenue received from advisory fees. This arrangement represents a conflict of interest due to the receipt of both advisory and commission compensation. NFSG has policies and procedures in place to monitor all client transactions. Where NFSG finds an Associated Person has not acted in the best interest of the client, NFSG may cancel the transaction. Alternatively, NFSG may deduct the commission costs from the advisory fee paid by the client. In any event, all client transaction costs will be disclosed to the client.

#### **Arrangements with Affiliated Entities**

In addition to being registered as a broker-dealer, NSC is also licensed as an insurance agency. Therefore, our Associated Persons may be licensed as insurance agents. As licensed insurance agents Associated Persons will earn commission-based compensation for selling insurance products. Insurance commissions earned by Associated Persons are separate and in addition to our advisory fees. Please see the "Fees and Compensation" section in this Brochure for additional information.

#### **Recommendation of Other Advisors**

We may recommend that you use a third party investment advisor as part of our asset allocation and investment strategy. NSFG will share in the compensation received by the third party investment advisor for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of the third party advisor. You are not required to use the services of any third party investment advisor we recommend.

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

#### **Description of Our Code of Ethics**

We have adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes policies and procedures developed to protect our client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of our Code of Ethics is available upon request to the Chief Compliance Officer at our principal office address and/or phone number listed on the cover of this brochure.

#### **Personal Trading Practices**

At times NFSG and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. NFSG and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

### **Brokerage Practices - Item 12**

Transactions will be effected through Newbridge Securities Corporation ('NSC') and its clearing firm, COR Clearing LLC ('COR'). COR and its affiliates will execute transactions on the floors of national and regional securities exchanges where it would be appropriate for the account.

The factors we consider when recommending NSC, include our familiarity with their services, our ability to obtain fair pricing and speed of execution and the due diligence performed by NSC for the securities products it offers.

NSC offers a wide range of securities products for which it performs due diligence prior to selection. The registered representatives of NSC are required to adhere to these products when implementing securities transactions through NSC.

Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer. In addition, NSC provides the advisor with back office operational, technological and other administrative support.

NFSG has a fiduciary duty to its advisory clients and will endeavor to seek best execution when placing trades for clients under the circumstances of each particular transaction. In attempting to achieve best execution, NFSG will not necessarily seek to obtain the lowest commission but rather will seek the best overall qualitative execution.

It is the policy of the NFSG to obtain the best execution of its customers' securities transactions on a best efforts basis since NFSG does not control trade execution. The Firm, through the trading department at its clearing broker, will cause each customer's securities transactions to be executed in such a manner that the customer's total cost or proceeds in each transaction is the most favorable under the circumstances.

A good faith determination will be made that the commissions paid are reasonable in relationship to the value of the services received. The commission schedule will be reviewed periodically and changes to the commission schedule shall be approved by the Chief Compliance Officer.

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

NFSG may receive compensation from a brokerage firm in the form of research, products or services ("soft dollars"). When a firm uses client brokerage commissions to obtain soft dollars, the firm receives a benefit by not having to produce or pay for such items. A firm may have an incentive to select or recommend a broker/dealer based on soft dollars received, rather than best execution for the client.

Although not considered "soft dollar" compensation, NFSG may receive benefits from NSC for research services to include reports, software, and institutional trading support.

NFSG understands its duty for best execution and considers all factors in making recommendations to clients. These services received from NSC may be useful in servicing all NFSG clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While NFSG may not always obtain the lowest commission rate, NFSG believes the rate is reasonable in relation to the value of the brokerage and research services provided.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers and custodians in which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker-dealer in exchange for client referrals.

#### **Directed Brokerage**

Associated Persons who are registered representatives of NSC are subject to FINRA Conduct Rule 3040 that restricts these registered individuals from conducting securities transactions away from NSC unless



NSC provides the representative with written authorization. Therefore, NFSG reserves the right to not accept a client account if the client wishes to select a broker or dealer/custodian other than NSC. Due to the nature of the affiliation with NSC, this brokerage arrangement presents a conflict of interest. NFSG, by directing brokerage to NSC, may be unable to achieve the most favorable execution of client transactions, and therefore clients may pay more for execution services. Additionally, not all investment advisors require their clients to direct brokerage.

#### **Trade Aggregation and Allocation**

Advisory firms may, but are not obligated to combine the purchase or sale of the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as trade aggregation or block trading.

NFSG does not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or “block” client transactions. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to the overall investment strategy.

### **Review of Accounts - Item 13**

#### ***Portfolio Management Account Reviews***

NFSG monitors the individual investments within NFSG’s portfolio management programs each day the market is open. Portfolio performance is reviewed, at a minimum, on a quarterly basis. NFSG offers portfolio management clients an in-person portfolio review meeting on an annual basis. Material market, economic, or political events, or changes in a client’s financial circumstances, may trigger more frequent reviews. If the client's account is invested in a portfolio developed by a third party the account will be automatically re-balanced by the third party custodian and/or money manager without consulting NFSG or the client.

The account reviews are performed by the client’s advisory representative. The Chief Compliance Officer and other designated compliance staff monitor the portfolios and financial plans for investment objectives and other supervisory review.

Clients will receive statements directly from their account custodian(s) on at least a quarterly basis. This statement will show total portfolio value and the securities holdings and activity in the account.

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

NFSG does not receive economic benefits from non-clients or unaffiliated third parties in exchange for providing investment advice or other advisory services to NFSG’s clients.

NFSG and its related persons do not compensate, either directly or indirectly, any person or entity who is not a supervised person of NFSG for client referrals.



### **Custody - Item 15**

Client accounts and securities are held at NSC's clearing firm COR Clearing, LLC, a separate custodial institution. Through granting us authority to deduct your investment fee, we are deemed to have custody of funds.

We urge you to compare for accuracy, your quarterly custodial account statements against the statements we prepare and send to you quarterly. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors.

### **Investment Discretion - Item 16**

NFSG offers Investment Management/Portfolio Services to its advisory clients on both a discretionary and non-discretionary basis. NFSG will manage client accounts on a discretionary basis if the client has granted discretionary authority in the client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold and do not require advance client approval. However, NFSG does not have the ability to withdraw funds or securities from client's account.

In a non-discretionary account, an Associated Person of NFSG recommends the purchase or sale of securities for review and approval by their clients. NFSG will only purchase or sell securities which have been approved by clients in advance.

You may limit this authority by setting restrictions on specific securities or the type of securities that can be purchased or sold for your account. Please provide us with your account restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

### **Voting Client Securities - Item 17**

#### **Proxy Voting**

NFSG does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

### **Financial Information - Item 18**

We do not require nor ask for prepayment of fees more than six months in advance and more than \$1,200.

We do not have financial commitment(s) or situations that impair our ability to meet contractual and fiduciary commitments. We have not been the subject of a bankruptcy proceeding.

**Requirements for State-Registered Advisors - Item 19**

**This section is intentionally left blank- Our firm is SEC registered.**

**Miscellaneous**

*Privacy Policies*

We view protecting private information as a top priority and pursuant to the requirements of the federal Gramm-Leach-Bliley Act; we have instituted policies and procedures to ensure that customer information is kept private and secure.

We do not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as permitted by law. In the course of servicing a client's account, we may share some information with its service providers, such as custodians or broker-dealers.

We restrict internal access to nonpublic personal information about clients to our employees or investment advisory representatives who provide services to the client. It is our policy to never sell information about current or former customers or their accounts to anyone. It is also our policy not to share information unless required to process a transaction, at the request of a customer or as required by law.

A copy of our privacy policy notice is provided to each client prior to, or at the time the advisory agreement is executed. Thereafter, we deliver annually to our clients, a copy of the current privacy policy notice. If you have any questions on this policy, please contact us at the phone number listed on the cover of this brochure.