

Goldstone Financial Group, LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Goldstone Financial Group, LLC. If you have any questions about the contents of this brochure, please contact us at (630) 620-9300 or by email at: compliance@goldstonefinancialgroup.com. 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 Goldstone Financial Group, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Goldstone Financial Group, LLC's CRD number is: 222520.

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Goldstone Financial Group, LLC, updated on October 16, 2018, are described below. Material changes relate to Goldstone Financial Group, LLC's policies, practices or conflicts of interests.

- Goldstone Financial Group, LLC has its assets under management

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Item 4: Advisory Business

A. Description of the Advisory Firm

Goldstone Financial Group, LLC (hereinafter “GFG”) is a Limited Liability Company organized in the State of Illinois.

The firm was formed in November 2008, and the principal owners are Michael August Pellegrino and Anthony Pellegrino.

B. Types of Advisory Services

Portfolio Management Services

GFG offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. GFG creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

GFG evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

GFG seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of GFG’s economic, investment or other financial interests. To meet its fiduciary obligations, GFG attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, GFG’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is GFG’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

Subadviser Services and Selection of Other Advisers

GFG may utilize sub-advisers or recommend clients utilize third-party money managers. Before recommending other advisers for clients, GFG will always ensure those other advisers are properly licensed or registered as investment advisor. GFG offers clients sub-advised portfolios in its wrap fee program, which are managed by separate account managers or through a sub-adviser that GFG engages on its behalf and are further described in Item 8A of this brochure: Adhesion Wealth Advisors, Preston Wealth Management, Optimus Advisory Group, W.E Donohue, Zega Financial, LLC., AE Wealth Management.

Services Limited to Specific Types of Investments

GFG generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. GFG may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

GFG offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent GFG from properly servicing the client account, or if the restrictions would require GFG to deviate from its standard suite of services, GFG reserves the right to end the relationship.

D. Wrap Fee Programs

GFG participates in wrap fee programs, which are investment programs where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. GFG manages the investments in the wrap fee program but does not manage those wrap fee accounts any differently than non-wrap fee accounts. Wrap fee accounts may be less or more expensive based on trading activity within your account than transaction-based accounts. Fees paid under the wrap fee program will be given to GFG as a management fee. GFG participates in a Wrap Fee Program. Please see our ADV 2A, Appendix 1 (Wrap Fee Brochure) for additional information.

GFG uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

E. Assets Under Management

GFG has the following assets under management:

| Discretionary Amounts: | Non-discretionary Amounts: | Date Calculated: |
|------------------------|----------------------------|------------------|
| \$ 94,017,902 | \$0.00 | As of 12/31/2018 |

Item 5: Fees and Compensation

A. Fee Schedule

Asset-Based Fees for Portfolio Management

| Total Assets Under Management | Annual Fee |
|--------------------------------------|------------|
| 1 st \$50,000 - \$500,000 | 1.50% |
| Next \$500,001 - \$1,000,000 | 1.25% |
| Next \$1,000,001 - And Up | 1.00% |

The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of GFG's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

For purposes of calculating the advisory fee, GFG uses the value of the account as of the last business day of the prior billing period.

B. Payment of Fees

Payment of Asset-Based Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advance.

C. Client Responsibility For Third Party Fees

GFG will wrap third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). GFG will charge clients one fee and pay all transaction fees using the fee collected from the client. If client chooses not to participate in a Wrap Fee Program,

client is responsible for all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.).

D. Prepayment of Fees

GFG collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee by 365.)

E. Outside Compensation For the Sale of Securities to Clients

Neither GFG nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

GFG does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

GFG generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

Minimum Account Size for Portfolio Management

There is an account minimum of \$50,000, which may be waived by GFG in its discretion.

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

A: Methods of Analysis and Investment Strategies

Methods of Analysis

GFG's methods of analysis include charting analysis, fundamental analysis, technical analysis, cyclical analysis and modern portfolio theory.

Charting analysis involves the use of patterns in performance charts. GFG uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Investment Strategies

GFG uses long term trading, short term trading, margin transactions and options trading (including covered options, uncovered options, or spreading strategies).

GFG will offer clients the following portfolios in its wrap fee program:

Optimus Advisory Group: Bond Rotation Strategy – The Optimus Bond Rotation Strategy seeks to provide total return while maintaining the ability to move between various durations and bond categories. **Optimus Separately Managed Accounts** – are tactical and alternative investment strategies based on proprietary mathematical algorithms. Assets are invested in mutual funds and/or ETFs. Some Optimus SMAs are not diversified, and all Optimus SMAs experience frequent trading. Leveraged inverse mutual funds are used in some Optimus SMAs.

Tactical High Yield – Seeks to provide investors with the total return normally associated with High Yield Bonds, while using optimal exit techniques for downside risk reduction. **Optimus Separately Managed Accounts** – are tactical and alternative investment strategies based on proprietary mathematical algorithms. Assets are invested in mutual funds and/or ETFs. Some Optimus SMAs are not diversified, and all Optimus SMAs experience frequent trading. Leveraged inverse mutual funds are used in some Optimus SMAs.

Hedged Equity Strategy- Long Side seeks to provide investors with the total return normally associated with a mix of equities, while maintaining the ability to move to low/minimum volatility or sector equities for downside risk protection. This long-only ETF model can vary its large cap equity investments from 50% to 100% of the portfolio,

its mid cap equity investments from 0% to 50%, and its small cap equity investments from 0% to 25% using monthly, bimonthly, and quarterly rotations. Short Side seeks to provide investors with an opportunity for gains during U.S. equities, Foreign equities, and U.S. Govt. bond market declines. The strategy uses eleven inverse mutual funds and ETFs that are based on U.S. equities, Foreign equities, and U.S. Govt. bonds

W.E. Donoghue and Company: Power Dividend Index – The Power Dividend and Yield Portfolio is an investment strategy combining strategic asset allocation with a tactical overlay. When in a bullish posture, the index methodology selects 50 stocks derived from ten of the Global Industry Classification Standard (GICS) sectors that make up the S&P 500 Index which offer the highest dividend yields as of the last trading day of November. The tactical overlay will shift the assets to cash equivalents predicated upon technical analysis, should market conditions warrant.

Zega Financial: Buy and Hedge – This strategy is designed to provide broad market exposure while limiting the downside risk in the event of a material market correction. It is offered in two versions. Classic looks to create hedges around the 10% level and utilizes a combination of a core ETF position paired with a protective put. ZEGA then uses proprietary algorithms to reduce the cost of hedges by selling other volatility where appropriate. The Retirement version provides more at-the-money hedges but still allows the investor to have long term market exposure in equity markets but attempts to reduce the downside risk by limiting the actual capital invested in equity positions. Positions are created by using a combination of options to build synthetic exposure as well as holding ETF shares for growth and income.

HiPOS Income – This model seeks to provide an alternative investment strategy as a complement or replacement for existing fixed income allocations. The model generates returns by selling credit spreads, which is a two-legged option strategy. This model may produce positive returns in up or down markets and has little historic correlation to interest rate sensitive markets. Maximum 20% allocation.

HiPOS Moderate – This model seeks to provide an alternative investment strategy as a complement or replacement for existing fixed income allocations. The model generates returns by selling credit spreads, which is a two-legged option strategy. This model may produce positive returns in up or down markets and has little historic correlation to interest rate sensitive markets. Maximum 50% allocation.

HiPOS Aggressive – This model seeks to provide an alternative investment strategy as a complement or replacement for existing fixed income allocations. The model generates returns by selling credit spreads, which is a two-legged option strategy. This model may produce positive returns in up or down markets and has little historic correlation to interest rate sensitive markets. Maximum 100% allocation.

AE Wealth Management diversifies among individual securities. They allocate assets into different investment categories spreading funds across different products, both investment and insurance-based.

They provide a wide range of model portfolio solutions for the major three “buckets” where clients assets are generally invested, safe money investments, growth and ambitious investments. AE Wealth Management helps investors identify up front the target purpose of each investment. This approach considered as a “Behavioral Finance” investment approach strives to help remove emotion from investing which could potentially jeopardize long-term financial security.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio

exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

GFG's use of margin transactions and options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.

Options transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

GFG's use of margin transactions and options trading generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which

helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither GFG nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither GFG nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

The firm's Investment Advisory Representatives are independent licensed insurance agents, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. GFG always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of GFG in connection with such individual's activities outside of GFG.

Michael August Pellegrino is President of Stone Trust Capital Management, Inc. Non-Investment related. Established in 2007 as an S-Corp.

Advisor Excel is an Insurance Marketing Organization (IMO) located in Topeka, Kansas. GFG is aligned with Advisors Excel who supports GFG in annuity and life insurance sales.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

GFG may utilize sub-advisers or recommend clients utilize third-party money managers. Before recommending other advisors for clients, GFG will always ensure those other advisors are properly licensed or registered as investment advisor. GFG offers clients sub-advised portfolios in its wrap fee program, which are managed by separate account managers or through a sub-adviser that GFG engages on its behalf and are further described in Item 8A of this brochure: Adhesion Wealth Advisors, Preston Wealth Management, Optimus Advisory Group, W.E Donohue, Zega Financial, LLC. Please see wrap brochure for associated costs.

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

A. Code of Ethics

GFG has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. GFG's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

GFG does not recommend that clients buy or sell any security in which a related person to GFG or GFG has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of GFG may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of GFG to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. GFG will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of GFG may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of GFG to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, GFG will never engage in trading that operates to the client's disadvantage if representatives of GFG buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on GFG's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent.

GFG will recommend clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

1. Research and Other Soft-Dollar Benefits

GFG does not trade client's accounts and therefore receives no research, product, or services from a broker-dealer ("soft dollar benefits").

2. Brokerage for Client Referrals

GFG receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

GFG may permit Clients to direct it to execute transactions through a specified broker-dealer. Clients must refer to their advisory agreements for a complete understanding of how they may be permitted to direct brokerage. If a client directs brokerage, the client will be required to acknowledge in writing that the Client's direction with respect to the use of brokers supersedes any authority granted to GFG to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

GFG does not trade clients' accounts and therefore does not have the ability to block trade purchases across accounts.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for GFG's advisory services provided on an ongoing basis are reviewed at least quarterly by Chief Compliance Officer Jeff Weglarz with regard to clients' respective investment policies and risk tolerance levels. All accounts at GFG are currently assigned to this reviewer.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client of GFG's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. GFG will also provide at least quarterly a separate written statement to the client.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

GFG does not receive any economic benefit, directly or indirectly from any third party for advice rendered to GFG's clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

GFG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, GFG will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

GFG provides discretionary investment advisory services to clients. The Investment Advisory Contract established with each client outlines the discretionary authority for trading. Where investment discretion has been granted, GFG generally manages the client's account and makes investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share. In some instances, GFG's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to GFG).

Item 17: Voting Client Securities (Proxy Voting)

GFG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

GFG neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither GFG nor its management has any financial condition that is likely to reasonably impair GFG's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

GFG has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

The education and business background of GFG's current management persons/executive officers, Michael August Pellegrino and Anthony Pellegrino, can be found on the individual's Form ADV Part 2B brochure supplement.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the individual's Form ADV Part 2B brochure supplement.

C. How Performance-based Fees are Calculated and Degree of Risk to Clients

GFG does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at GFG has been found liable in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

See Item 10.C and 11.B.