

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of PruneYard Financial Group, Inc. (hereinafter "PFG," "our firm," or "we"). If you have any questions about the contents of this brochure, please contact us at 408.377.4444 or steven.schumaker@pruneyardfinancial.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 PFG also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 117378.

Item 2 Material Changes

This Firm Brochure, dated 03/28/2018, provides you with a summary of Pruneyard Financial Group, Inc.'s (PFG's) advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform you of the revision(s) based on the nature of the information as follows.

Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.

However, PFG is not required to send such updated documents to our clients when there are no material changes to report since the filing of our most recent prior Brochure.

Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item).

"Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

This brochure revises important information previously reported in our disclosure document dated 03/31/2017, including:

Item 4. This item has been revised to reflect the amount of regulatory assets being managed by PFG as of 03/15/2018.

PFG has no material changes to disclose.

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Item 4 Advisory Business

PFG is a SEC-registered investment adviser with our principal place of business located in Campbell, California. Registration as an investment adviser does not require and should not be interpreted to imply any particular level of skill or training. PFG was formed in 1995 and has been conducting advisory business since 1996. In 2000, an unaffiliated investment adviser, Denby & Company, merged their advisory practice into PFG resulting in the formation of a new entity. Pursuant to that restructuring, PFG's new registration was approved in 2001.

Effective January 1, 2016, listed below are PFG's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company):

- John Daniel Masegian – President, Treasurer
- Steven Adam Schumaker - Vice President, Secretary and Chief Compliance Officer (CCO)

PFG offers the following advisory services to our clients:

PENSION CONSULTING SERVICES

We provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

Selection of Investment Vehicles:

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We regularly monitor client investments based on the procedures and timing intervals delineated in the IPS. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide periodic educational support and investment workshops designed for the plan participants.

The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c).

The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

PFG MONEY MANAGEMENT PROGRAM

PFG provides discretionary portfolio management services through the PFG Money Management Program (hereinafter the "Program"). In limited circumstances, PFG manages certain pre-existing clients' accounts on a non-discretionary basis within the Program; however, PFG no longer offers non-discretionary management services to new or prospective Program participants.

PFG is the sponsor and investment manager of this wrap fee program. Clients and prospective clients interested in obtaining additional Program information should refer to the attached Wrap Fee Program Brochure.

AMOUNT OF MANAGED ASSETS

As of 03/15/2018, we were actively managing \$124,342,957 of clients' assets on a discretionary basis plus \$1,239,525 of clients' assets on a non-discretionary basis, for a combined total of \$125,582,482 of regulatory assets under management.

Item 5 Fees and Compensation

PENSION CONSULTING FEES

Retirement plans fees are calculated as a percentage of plan assets under advisement and range from 0.35% (i.e., 35 bps) to 1.00% (i.e., 100 bps). Fees are determined based on the size and composition of plan assets as well as the nature and frequency of the services to be provided. All fees are agreed upon prior to entering into a contract with any client. PFG's fees are due and payable quarterly in advance. Fee billing and payment terms are determined at the outset of the engagement according to one of the following options:

1. PFG sends an invoice for its fees to the plan sponsor which then pays the invoice;
2. PFG sends an invoice for its fees to the plan sponsor, which in turn allocates payment across participant accounts, *or*
3. the plan provider calculates the fees and pays PFG on behalf of the plan sponsor and/or plan participants.

GENERAL INFORMATION

Limited Negotiability of Advisory Fees: Although PFG has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under advisement, related accounts; account composition and reports, among other factors. The specific annual fee schedule is identified in the contract between PFG and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. In addition, discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Grandfathering of Minimum Account Requirements & Advisory Fees: Pre-existing advisory clients are subject to PFG's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements and advisory fees will differ among clients.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice.

Mutual Fund Fees: All fees paid to PFG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and thereby evaluate the advisory services being provided.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

PFG does not charge performance-based fees (fees based on a share of capital gains or capital appreciation of the client's assets).

Item 7 Types of Clients

PFG provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)

- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other business entities

PFG requires a minimum of \$100,000 of plan assets for our pension consulting services. Generally, this minimum requirement is not negotiable, although as noted above, pre-existing clients are subject to the requirements in effect at the time they engaged PFG for advisory services.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We endeavor to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Margin transactions. Generally, PFG does not engage in margin transactions as an investment strategy for purchasing securities in client accounts. PFG may, however, engage in margin transactions as required for certain types of options trading or upon client request as a backup funding source.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls," in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We use a "spreading strategy," in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Risk of Loss. Clients should understand that investing in any securities, including mutual funds, involves risk of loss of both income and principal. Obtaining higher rates of return on investments typically entails accepting higher levels of risk. We will work with you to attempt to identify the balance of risks and rewards that is appropriate and comfortable for you, and we will explain and answer any questions you have about these kinds of investments.

Item 9 Disciplinary Information

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.

Our firm and our management personnel have no reportable disciplinary history to disclose.

Item 10 Other Financial Industry Activities and Affiliations

PFG is not registered, nor does it have an application pending to register as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor. Furthermore, no PFG management person is registered or has a pending application to become registered as, or licensed with, any of the foregoing entities.

In addition to being an SEC-registered investment adviser, PFG is also registered as an Accountancy Corporation in the State of California. Accordingly, management personnel and other employees, in their separate capacities as certified public accountants, may also provide tax planning and preparation services to advisory clients for separate yet customary compensation. PFG's accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf. Advisory clients are not under any obligation to engage these individuals for accounting services. John D. Masegian, President of PFG, anticipates dedicating approximately 50% of his time engaged in providing accounting services in his capacity as a CPA.

Steven A. Schumaker is, in his separate capacity, an Enrolled Agent (EA). As an EA, he is a federally licensed tax practitioner specializing in taxation with unlimited rights to represent taxpayers before the IRS for which he will receive separate yet customary compensation. Steven Schumaker will be recommended to clients of PFG in need of such services; however, advisory clients are under no obligation to engage him as an EA. He is also separately licensed as an insurance agent for various insurance companies, and as such has the ability to purchase certain insurance products (including term life and annuity products) for advisory clients for which he would generate separate, yet customary compensation.

However, the receipt of additional compensation by PFG and/or its management persons or employees creates a potential conflict of interest that may impair the objectivity of our firm and this individual when making advisory recommendations. In order to eliminate this potential conflict, Steve Schumaker will not engage in activities as a licensed insurance agent on behalf of PFG's advisory clients. It is anticipated that he may spend approximately 10% of his time engaged in these other activities.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

PFG and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

PFG's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to steven.schumaker@pruneyardfinancial.com, or by calling us at 408-377-4444.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his designee.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
8. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.

10. Any individual who violates any of the above restrictions may be subject to disciplinary action which may range from verbal or written warnings, heightened supervision, or in severe circumstances, termination.

Item 12 Brokerage Practices

PFG does not have any soft-dollar arrangements and does not receive any commissions or other revenue from brokerage firms.

As previously disclosed in Item 4, PFG's asset management services are provided through the wrap fee program sponsored by PFG. The fee paid by our clients in PFG's Money Management Program covers administrative expenses, custody charges and execution of transactions. PFG participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member.

As a condition of participation in the PFG Money Management Program, new clients are required to direct PFG to custody their assets with and execute transactions through TD Ameritrade.

TD Ameritrade offers services to independent investment advisers which include, among others, custody of securities, trade execution, clearance and settlement of transactions. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to PFG by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by PFG's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit PFG but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by PFG through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by PFG or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

PFG also has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides PFG

with "institutional platform services." The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like PFG in conducting business and in serving the best interests of our clients but that may also benefit us.

While new clients participating in PFG's Money Management Program are required to direct PFG to custody their assets with and execute transactions through TD Ameritrade, certain pre-existing Program clients continue to utilize Fidelity for custodial and trade execution services.

Fidelity generally charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables PFG to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. Although the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers, the fee paid by our clients in PFG's Money Management Program covers administrative expenses, custody charges and execution of transactions. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by PFG (within specified parameters).

These research, technology and brokerage services presently include providing access to client account data (e.g., account statements and duplicate trade confirmations); facilitating trade execution and allocation of aggregated trade orders for multiple client accounts using Fidelity's trading platform (Fidelity Wealth Central); enabling payment of PFG's fees from our clients' accounts; pricing and other market data and research provided by Morningstar Analytics, and online access to a additional resources such as GPS, Fidelity's portfolio analysis tool; among other tools and resources used by our firm to manage accounts for which we have investment discretion.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of PFG clients and satisfies our client obligations, including our duty to seek best execution.

PFG is independently operated and owned and is not affiliated with either TD Ameritrade or Fidelity.

Additional information regarding PFG's Money Management Program is provided in the attached PFG's Wrap Fee Program Brochure.

Trade Allocation & Aggregation: PFG will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, and generally allows us to execute equity trades in a timelier, more equitable manner, at an average share price. PFG's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with PFG, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment

objectives and with any investment guidelines or restrictions applicable to the client's account.

3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable PFG to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts. The accounts of PFG's related persons will be excluded from such pro-rata allocations.

6) Generally, each client that participates in the aggregated order must do so at the average share price.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) PFG's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on PFG's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

PENSION CONSULTING SERVICES

PFG does not arrange for the execution of securities transactions for pension plans as a part of this service. The client is responsible for the implementation of securities transactions for these accounts.

Item 13 Review of Accounts

PENSION CONSULTING SERVICES

REVIEWS: PFG will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. PFG will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Generally, PFG will conduct an informal review of plan holdings on a monthly basis, and a formal review on a quarterly basis, with a comprehensive review of the plan performed on at least an annual basis. The comprehensive annual review will be conducted in concert with the plan provider.

These accounts are reviewed by one or both of the members of the firm's investment team: John D. Masegian and Steven A. Schumaker, principals and Investment Adviser Representatives of PFG.

REPORTS: These client accounts will receive written reports as contracted for at the inception of the advisory relationship. At least annually, a member(s) of the investment team will meet directly with the plan sponsor to provide a written summary following PFG and the plan provider's comprehensive review. In addition, the plan TPA provides the plan sponsor with a written summary report.

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

It is PFG's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

OTHER COMPENSATION

It is also our firm's policy not to accept or allow our related persons to accept any form of incentive compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to review carefully their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to compare carefully the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Inadvertent Custody: Pursuant to SEC regulations, investment advisers may be deemed to have custody of client assets as a result of provisions contained within the custodial agreement entered into between the client and a qualified custodian (i.e., a custodial agreement) that provides authorization for (i) the adviser to instruct the custodian to disburse cash from the client's cash account for any purpose, (ii) the custodian to rely on the adviser's instructions without any direction from the client, or (iii) grants the adviser to receive money, securities, and property of every kind and dispose of same.

PFG's stated custody policy limits the firm or its related persons from accepting custody of clients' funds and/or securities to our ability to directly debit advisory fees from client accounts. Accordingly, PFG will (i) limit its authority to "delivery versus payment," notwithstanding the wording of the custodial agreement, and (ii) require the client and custodian to provide PFG with written consent acknowledging this arrangement.

Alternatively, PFG may facilitate client requests to transfer funds between the client's accounts maintained at one or more qualified custodians provided that (i) the client provides PFG with written authorization to make such transfers, and (ii) a copy of that authorization is provided to the qualified custodians. Such authorization, signed by the client, shall include such information as required by the custodian to effect the transaction in accordance with applicable regulations.

Item 16 Investment Discretion

As previously disclosed, PFG provides asset management services through the PFG Money Management Program, a wrap fee program sponsored by our firm. As our firm no longer offers asset management services through the Program on a non-discretionary basis, clients are required to provide our firm with written authority to determine which securities and the amounts of securities that are bought or sold in the client's account without contacting the client.

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by providing us once again with written instructions.

Please refer to the attached Wrap Fee Program Brochure for more comprehensive information regarding the Program.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of their assets to forward directly to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Initially, should a client fail to provide such instructions to the custodian or the instructions are disregarded causing proxy and/or shareholder materials to be delivered to our firm, while we will not vote the proxies on the client's behalf, we will forward the materials to the client and request that the client promptly instruct the custodian to deliver all future proxy and shareholder materials directly to the client. Thereafter, PFG will destroy, and not vote, any proxies we subsequently receive.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. PFG has no such additional financial circumstances to report.

PFG has never been the subject of a bankruptcy petition.

Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure

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PFG Money Management Program

03/28/2018

This wrap fee program brochure provides information about the qualifications and business practices of PruneYard Financial Group, Inc. (hereinafter "PFG," "our firm," "we") If you have any questions about the contents of this brochure, please contact us at 408-377-4444 or steven.schumaker@pruneyardfinancial.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 PFG also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 117378.

Item 2 Material Changes

This Wrap Fee Program Brochure, dated 03/28/2018, provides you with a summary of PFG's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform you of the revision(s) based on the nature of the information as follows.

Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.

However, PFG is not required to send such updated documents to our clients when there are no material changes to report since the filing of our most recent prior Brochure.

Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item).

"Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

This brochure revises information previously reported in our disclosure document dated 03/31/2017.

The following updates are disclosed within this document:

No updates to disclose.

The following material changes are disclosed within this document:

No material changes to disclose.

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Item 4 Services, Fees and Compensation

SERVICES

PFG is a SEC-registered investment adviser with our principal place of business located in Campbell, California. Registration as an investment adviser does not require and should not be interpreted to imply any particular level of skill or training. PFG was formed in 1995 and has been conducting advisory business since 1996. In 2000, an unaffiliated investment adviser, Denby & Company, merged their advisory practice into PFG resulting in the formation of a new entity. Pursuant to that restructuring, PFG's new registration was approved in 2001.

Effective January 1, 2016, listed below are PFG's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company):

- John Daniel Masegian – President, Treasurer
- Steven Adam Schumaker - Vice President, Secretary and Chief Compliance Officer (CCO)

We sponsor the PFG Money Management Program (the "Program"), a wrap fee program. A wrap fee program is an advisory program under which a specified fee or fees not based directly on transactions in the client's account is charged for advisory services, which may include portfolio management or advice concerning the selection of other investment advisers, and the execution of client transactions.

This Wrap Fee Program Brochure is limited to describing the services, fees, and other necessary information clients should consider prior to becoming a client within the Program. The preceding section of this disclosure document (i.e., PFG's Firm Brochure) provides a comprehensive description of the other advisory services and fees offered by our firm.

PFG MONEY MANAGEMENT PROGRAM

Through the PFG Money Management Program (the "Program"), clients are provided with portfolio management services using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

Through personal discussions with the client in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

Account supervision is guided by the client's stated objectives (i.e., growth, value, balanced, or income), as well as tax considerations.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. send quarterly written reminders to each participating client requesting any updated information regarding changes in the client's financial situation and investment objectives;

2. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

As sponsor and investment manager of the PFG Money Management Program, we have designed this program to connect our firm's clients with professional in-house portfolio managers and investment vehicles suitable for their financial circumstances and investment objectives. Our firm actively solicits advisory clients for the Program. We are also responsible for the marketing of the Program.

Although PFG will continue to provide non-discretionary management services to Program participants pursuant to pre-existing agreements, PFG no longer offers non-discretionary management services to new clients. Account supervision is guided by the client's stated objectives (i.e., growth, value, balanced, or income), as well as tax considerations.

Types of Securities. Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. PFG has three absolute criteria governing the types of securities that will be included in a client's managed portfolio:

1. the security must be traded on a U.S. Exchange;
2. it must be valued in U.S. dollars; and
3. it must be liquid

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Further, clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Accordingly, and as appropriate to the needs of the client, the following types of securities may be utilized in the client's portfolio:

<u>Equities</u>	<u>Fixed-Income</u>	<u>Mutual Funds</u>	<u>Other</u>
Listed/OTC	Corporate Bonds	No-load	Annuities
Preferred	U.S. Treasuries	Load-Waived	
ADRs	Mortgage-backed	Money Market	
Closed-end funds	Municipal Bonds		
REITs	Certificates of Deposit		
ETFs			
Options Contracts			

PROGRAM FEES

Our Program fees are negotiated on a client-by-client basis and typically will range from 0.50% to 1.50% annually and will be charged quarterly in advance (i.e., 0.125% to 0.374% per quarter). Client facts, circumstances and needs will be considered in determining the fee schedule; including the complexity of the client's needs, composition and amount of assets to be placed under management, related accounts, portfolio style(s), and reports, among other factors.

For example, annual fees for portfolios comprised solely of mutual funds will generally range between 0.50% (50 bps) and 1.00% (100 bps); while annual fees for more complex blended accounts that are actively traded may be as high as 1.50%. The specific annual fee schedule will be identified in the contract between PFG and each client.

As authorized by the client, fees will be directly deducted from the client's investment account(s), or will be invoiced to the client by PFG. Fees are billed in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, cash plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. Account contributions or withdrawals of \$10,000 or more are taken into consideration and the fees are adjusted on a pro-rata basis.

How are Program fees charged? As noted above, Program fees are charged quarterly in advance. When authorized by the client, fees will be debited from the account in accordance with the terms set forth in the Investment Management Agreement ("IMA").

What services are covered by the Program fees? The Program fees pay for our firm's advisory services to clients under the Program, administrative expenses of the Program, custody charges and execution of transactions for clients' assets custodied at TD Ameritrade or Fidelity.

What services are not covered by the Program fees? As more fully disclosed below, the Program fees do not include expenses of mutual funds and exchange-traded funds (ETFs) such as fund management fees charged to each fund's investors.

Other Fees and Expenses. Clients may incur charges for other account services provided not directly related to the execution and clearing of transactions, including, but not limited to, wire transfer fees, interest charges on margin loans, exchange fees, and fees for account closing or transfers.

Additional Information about Program fees. Under the Program, the participant receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified Program Fee. Clients are cautioned that depending on the level of fees charged by the executing broker-dealer, and the amount of portfolio activity in the clients' account, the cost of the services provided under this Program may exceed the total cost of such services had they been provided separately. In addition, the Program Fee may be higher or lower than that charged by other sponsors of comparable wrap fee programs.

GENERAL INFORMATION

Termination of the Advisory Relationship. A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice.

Mutual Fund and ETF Fees. All fees paid to PFG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

Accordingly, the client should review both the fees charged by the funds and our fees to understand fully the total amount of fees to be paid by the client and thereby evaluate the advisory services being provided.

Exchange-Traded Funds. Shares of ETFs held in client accounts are bought and sold on an exchange and not, like mutual funds, directly from the fund itself. The price of ETF shares fluctuates in accordance with changes in the net asset value (NAV) per share, as well as in response to market supply and demand. Accordingly, ETF shares may trade at a price which differs from NAV per share of the ETF.

Grandfathering of Advisory Fees. Pre-existing advisory clients are subject to PFG's advisory fees in effect at the time the client entered into the advisory relationship or subsequently renegotiated. Therefore advisory fees will differ among clients.

Advisory Fees in General. Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees. Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

COMPENSATION

It is PFG's policy not to engage solicitors or to pay related or non-related persons for referring potential wrap program clients to our firm.

Item 5 Account Requirements and Types of Clients

ACCOUNT REQUIREMENTS

PFG Money Management Program clients must direct us as to the broker-dealer/custodian to be used in managing their account. PFG has negotiated an arrangement with TD Ameritrade, Inc., and its affiliates including TD Ameritrade Clearing, Inc. and TD Ameritrade Institutional (together with all affiliates, "TD Ameritrade"), to provide custodial and brokerage services as part of the Program. TD Ameritrade is an unaffiliated FINRA member broker-dealer and the clearing firm and custodian that we use for brokerage accounts. As a condition for program participation, new clients are required to direct us to custody their assets with and to place trades through TD Ameritrade. Please refer to the "Other Financial Industry Activities and Affiliations" section of Item 9 for additional information.

TYPES OF CLIENTS

PFG provides advisory services in the PFG Money Management Program, where appropriate, to:

- Individuals & High net worth individuals (including Trusts and Estates)
- Charitable Organizations
- Pension & Profit Sharing Plans
- Corporations or other business entities

Item 6 Portfolio Manager Selection and Evaluation

PORTFOLIO MANAGER SELECTION

As previously disclosed, all participating clients' assets are managed by advisory personnel of our firm. These individuals must possess, minimally, a college degree and/or appropriate business experience and all required licenses. Please refer to Item 4 for detailed disclosures regarding the portfolio management services we provide to Program clients.

PORTFOLIO PERFORMANCE REPORTING

PFG calculates the performance of all participating accounts based on standards drawn from industry sources. Performance is currently calculated by taking into account at least the following items: a time-weighted rate of return; cash flows into and out of the accounts; monthly valuations; and income accrued on fixed income securities.

As noted above under Services, Fees and Compensation (Item 4), PFG has partnered with TD Ameritrade to provide brokerage, custodial and other services for the Program. As part of such other services, portfolio performance reporting is provided by TD Ameritrade to Program participants. Clients maintaining accounts with Fidelity will continue to receive reports from their custodian.

To assist you with reviewing your account activity and performance, PFG makes written periodic reports available to clients that include relevant portfolio information, such as asset allocation, account transactions, securities positions, a summary of transactions during the reporting period, the fair market values of investments in client portfolios, and investment performance for the period. As our firm does not verify performance data provided by third parties to create these reports you should rely on the account statements you receive from the Custodian as the official record of your investments. Please discuss any questions you have regarding these reports with your account manager.

AFFILIATED PORTFOLIO MANAGERS

As previously disclosed, all client assets in this program are managed by PFG's own portfolio managers; we do not utilize any third-party asset managers. Furthermore, all PFG's portfolio management services are provided through this Program. Please refer to Item 4 for a more detailed description of PFG Money Management Program's services and fees.

PERFORMANCE-BASED FEES

PFG does not charge performance-based fees (i.e., fees based on a share of capital gains or capital appreciation of the client's assets).

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Margin transactions. Generally, PFG does not engage in margin transactions as an investment strategy for purchasing securities in client accounts. PFG may, however, engage in margin transactions as required for certain types of options trading or upon client request as a backup funding source.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls," in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We use a "spreading strategy," in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Risk of Loss. Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal. Obtaining higher rates of return on investments typically entails accepting higher levels of risk. We will work with you to attempt to identify the balance of risks and rewards that is appropriate and comfortable for you, and we will explain and answer any questions you have about these kinds of investments.

VOTING CLIENT SECURITIES

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of their assets to forward directly to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Initially, should a client fail to provide such instructions to the custodian or the instructions are disregarded causing proxy and/or shareholder materials to be delivered to our firm, while we will not vote the proxies on the client's behalf, we will forward the materials to the client and request that the client promptly instruct the custodian to deliver all future proxy and shareholder materials directly to the client. Thereafter, PFG will destroy, and not vote, any proxies we subsequently receive.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 7 Client Information Provided to Portfolio Managers

Individuals affiliated with our firm are responsible for developing an initial financial profile of the prospective client. Prior to opening an account, we assist in determining a participant's profile for the Program by obtaining from the participant appropriate information (i.e., investment objectives, risk tolerance, time horizon, and any reasonable restrictions the client wishes to impose upon the management of the account). Initial investment strategy is jointly determined based on an assessment of the information provided by the client.

While we provide the client with periodic reminders, it remains the client's responsibility to advise us of any changes to the information previously provided that might impact the ongoing suitability of any previously determined investment strategy(ies) and/or objectives.

A PFG representative will directly contact each wrap fee program client at least annually to verify that there has been no change in the client's financial circumstances and/or investment objectives, and determine whether the client wishes to impose any reasonable restrictions on the management of the account(s). Any such changes or requests are communicated in writing to the client's portfolio manager, who is responsible for implementing appropriate adjustments to the client's portfolio.

Item 8 Client Contact with Portfolio Managers

PFG promotes open lines of communication between our Portfolio Manager(s) and our clients, encouraging the Manager's accessibility to remain available to our clients to discuss investment philosophy, objectives and to answer client questions.

Item 9 Additional Information

DISCIPLINARY INFORMATION

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.

Our firm and our management personnel have no reportable disciplinary events to disclose.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

PFG is not registered, nor does it have an application pending to register as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor. Furthermore, no PFG management person is registered or has a pending application to become registered as, or licensed with, any of the foregoing entities.

In addition to being an SEC-registered investment adviser, PFG is also registered as an Accountancy Corporation in the State of California. Accordingly, management personnel and other employees, in their separate capacities as certified public accountants, may also provide tax planning and preparation services to advisory clients for separate yet customary compensation. PFG's accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf. Advisory clients are not under any obligation to engage these individuals for accounting services. John D. Masegian, President of PFG, anticipates dedicating approximately 50% of his time engaged in providing accounting services in his capacity as a CPA.

Steven A. Schumaker is, in his separate capacity, an Enrolled Agent (EA). As an EA, he is a federally licensed tax practitioner specializing in taxation with unlimited rights to represent taxpayers before the IRS for which he will receive separate yet customary compensation. Steven Schumaker will be recommended to clients of PFG in need of such services; however, advisory clients are under no obligation to engage him in this capacity.

He is also licensed as an insurance agent for various insurance companies, and as such has the ability to purchase certain insurance products (including term life and annuity products) for advisory clients for which he would generate separate, yet customary compensation. However, the receipt of additional compensation by PFG and/or its management persons or employees creates a potential conflict of interest that may impair the objectivity of our firm and this individual when making advisory recommendations. In order to eliminate this potential conflict, Steve Schumaker will not engage in activities as a licensed insurance agent on behalf of PFG's advisory clients. It is anticipated that he may spend approximately 10% of his time engaged in these other activities.

Custody & Trade Execution. As previously disclosed, new clients are required to direct us to custody their assets with and to place trades through TD Ameritrade as a condition for participation in the PFG Money Management Program.

Based on the types of investments and strategies employed by PFG in managing clients' assets, PFG does not typically engage in trading away (i.e., executing trades through a broker-dealer other than TD Ameritrade as the wrap program's designated broker-dealer, or Fidelity for certain clients) due to the additional costs resulting from such transactions, unless we believe that best execution may be achieved as a result.

The fee paid by our clients in PFG's Money Management Program covers administrative expenses, custody charges and execution of transactions; further information is provided in Item 5 regarding additional fees and expenses which may be charged. PFG participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member.

TD Ameritrade offers services to independent investment advisers which include, among others, custody of securities, trade execution, clearance and settlement of transactions. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to PFG by third party vendors.

PFG also maintains an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which PFG is provided with "institutional platform services." These services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other

market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting. Fidelity provides access to many no-load mutual funds without transaction charges and certain institutional-class funds at nominal transaction charges, although, as noted above, PFG absorbs such fees and expenses.

Both TD Ameritrade and Fidelity also offer other services intended to help PFG manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom PFG may contract directly.

PFG is independently operated and owned and is not affiliated with either TD Ameritrade or Fidelity.

PFG blocks trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

PFG and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering.

Our code also provides for oversight, enforcement and recordkeeping provisions.

PFG's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to steven.schumaker@pruneyardfinancial.com, or by calling us at 408-377-4444.

PFG and individuals associated with our firm cannot engage in principal transactions. In addition, PFG and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price.

In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be *excluded* in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his designee.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.

10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to disciplinary action which may range from verbal or written warnings, heightened supervision, or in severe circumstances, termination.

As previously disclosed, a related person of our firm is licensed as an insurance agent/broker of various insurance companies; however, he will not engage in these activities on behalf of PFG's advisory clients. Please refer to the preceding section for a detailed explanation of this relationship and important conflict of interest disclosures.

REVIEW OF ACCOUNTS

REVIEWS: PFG utilizes two composite benchmarks as standards against which the performance of each of our firm's risk-based investment models are measured. Each benchmark is the sum of the listed value of the S&P 500 Index (SPX) and Barclays Capital U.S. Aggregate Bond Index (BCUSA) from each index provider at the close of market for the same day, weighted to reflect the investment style of the respective model.

The underlying securities within PFG's model portfolios are monitored on a daily basis by the investment team. Account performance is measured against the relevant benchmark on a weekly and monthly basis. Benchmarks and account-level performance intervals are compiled following the end of each quarter and distributed to clients on an account-by-account basis through their Quarterly Performance Report.

Reviews are also triggered if there is a 15% decrease in value of an individual security or a significant event which impacts an issuer of a security held in clients' accounts. These accounts are reviewed by one or both of the members of the firm's investment team: John D. Masegian and Steven A. Schumaker, principals and Investment Adviser Representatives of PFG. In addition to conducting specific periodic reviews of client accounts, these individuals also conduct reviews of securities, including mutual funds and exchange-traded funds (ETFs).

At least annually, we endeavor to meet with the client (either in person or over the phone) to review and update, as necessary, the client's investment profile. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's investment profile is warranted.

REPORTS: Clients receive trade confirmations for each transaction effected in an account from their respective custodian. Clients with active accounts receive monthly statements and clients with relatively inactive accounts receive quarterly statements directly from TD Ameritrade or Fidelity. Clients also receive from PFG written quarterly account analyses, which details portfolio holdings and sets forth the internal rate of return, realized gains or losses and an income summary.

CLIENT REFERRALS AND OTHER COMPENSATION

CLIENT REFERRALS

It is PFG's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

OTHER COMPENSATION

It is also our firm's policy not to accept or allow our related persons to accept any form of incentive compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

FINANCIAL INFORMATION

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement as part of this brochure.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. PFG has no such additional financial circumstances to report.

PFG has never been the subject of a bankruptcy petition.