



Form ADV Part 2A Disclosure Brochure

Last Updated: November 30, 2014

VFG Advisors, Inc.

CRD# 150370
100 Corporate Pointe, Suite 382
Culver City, CA 90230-7612
Tel: 310-410-8341
Fax: 310-410-8340
www.vfgroup.net

This brochure provides information about the qualifications and business practices of VFG Advisors, Inc. ("VFGA"). If you have any questions about the contents of this brochure, please contact Tuan Ngo at (310) 410-8341 and/or via email at compliance@vfgroup.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about VFGA also is available on the SEC's website at www.adviserinfo.sec.gov.

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

Item 2 - Material Changes

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

This Brochure is dated September 25, 2014. The material changes to this Brochure from our prior Brochure dated March 27, 2014 are as follows:

VFGA was previously registered with the U.S. Securities and Exchange ("SEC") as a "multi-state advisor" qualifying for SEC registration under the multi-state exemption due to the need for the firm to be registered in 15 or more states based on those individual state registration requirements. Based on the firm's annual review of those state requirements on September 1, 2014, VFGA no longer qualifies for the SEC's "multi-state" exemption, since the firm only requires registration in these five states: California, Michigan, Nevada, Ohio and Texas.

Therefore, VFGA has filed a conversion filing to switch from SEC registration to State registration in those 5 states on September 25, 2014.

This conversion from SEC to State registration does not affect customer accounts or their investment adviser representative's registration status with VFGA. Customers should consult with their investment adviser representative or VFGA management if they have any questions about the conversion filing, the firm's State registration status, or any other questions they may have.

There have been no other material changes since our prior brochure dated March 27, 2014.

Item 3 – Table of Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
	Annual Update	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
	Principal Owner	4
	Use of Professional Designations	5
	Assets Under Management (AUM)	5
	Investment Management Services	5
	Use of Third-Party Money Managers	5
	Financial Planning Services	6
	Hourly Consultation Services	6
	Wrap Programs	6
	Termination of Agreement	7
Item 5	Fees and Compensation	7
	Investment Management Fees	7
Item 6	Performance-Based Fees and Side-By-Side Management	7
Item 7	Types of Clients	7
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	8
	Methods of Analysis	8
Item 9	Disciplinary Information	8
	Disclosure Events	8
Item 10	Other Financial Industry Activities and Affiliations	9
	Broker/Dealer Affiliation	9
	Insurance Agency Affiliation	9
	Selection of Other Investment Advisers	9
	Disclosure of Material Conflicts	9
Item 11	Code of Ethics, Interest in Client Transactions and Personal Trading	10
	Code of Ethics	10
	Participation/Interest in Client Transactions	11
Item 12	Brokerage Practices	12
	Research and Other Soft Dollar Benefits	12
	Brokerage for Client Referrals	12
	Directed Brokerage	12
	Aggregation of Client Orders	12
Item 13	Review of Accounts	12
Item 14	Client Referrals and Other Compensation	13
	Receipt of Economic Benefit (non-client) and “Soft Dollars”	13
Item 15	Custody	13
Item 16	Investment Discretion	13
Item 17	Voting Client Securities “Proxies”	14
Item 18	Financial Information	14
	Pre-Payment of Fees	14
Item 19	Executive Officers and Management Persons	14
Item 20	Privacy Policy and Privacy Notice	15

Item 4 - Advisory Business

4A:

VFG Advisors, Inc. ("VFGA") is a registered investment adviser firm established in 2009 to provide investment advisory services to individuals and high net worth individuals (herein referred to as "Client" or "Clients").

Principal Owner

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

VFGA's principal owners are as follows:

- **Vanclef Financial Group, Inc.** is the parent company and direct owner of **VFG Advisors, Inc.** with 100% ownership.
- **Jason B. Vanclef** is the direct owner of **Vanclef Financial Group, Inc.** with 100% ownership

Jason B. Vanclef is the CEO and President of Vanclef Financial Group, Inc. (an insurance agency), as well as VFG Advisors, Inc. (a registered investment adviser), and VFG Securities, Inc. (a FINRA-member broker-dealer and sister company of VFG Advisors, Inc.

Mr. Vanclef was born in 1971 and graduated from Cal Poly San Luis Obispo in 1994 with a B.S. in Biological Chemistry. He has been a licensed securities and estate planning professional since 2006.

VFGA is not a publicly held company.

4B:

Types of Advisory Services Offered

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

Use of Third-Party Money Managers

The primary and almost exclusive type of advisory service offered at VFGA is the use of third-party money managers for a fee. Investment Advisor Representatives (IARs) of VFGA seek to provide access to third-party advisers that meet the criteria of the client as described. IARs may charge an annual fee based upon assets under management (see below), and as agreed upon in the VFG Advisory Services Agreement. Third-party advisers, under an agreement with VFGA shall pay a solicitor's fee to IARs of VFGA which generally ranges from 50 basis points to 1.00%, or as agreed upon.

Third party advisers, under a separate agreement with Client, may charge administrative, management, and transaction fees in addition to the fees charged by VFGA. Fees for third-party money management are generally payable quarterly in advance and are deducted from the money market balance by the manager from the account. If an account does not carry an adequate amount of cash in the money market to pay for management fees, clients may be notified and may be required to liquidate an investment in order to fund the money market account.

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

Educational Seminars and Newsletters

VFGA offers educational seminars and newsletters to clients at no cost through its associated supervised investment advisor representatives, approved product sponsors and wholesalers, and available through its website, www.vfgroup.net. Clients are under no obligation to implement any recommendations made or implied through VFGA educational seminars and newsletters.

Financial Planning Services

VFGA does not offer financial planning services directly to Clients at this time. If at some point in the future VFGA decides that it will offer financial planning services, this brochure will be revised to include a description of how those services will be offered and implemented.

Hourly Consultation Services / Investment Management Services

VFGA does not offer general consulting services or investment management services on an hourly basis at this time.

4C:

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

4D:

Wrap Programs

VFGA does not participate in a wrap fee program at this time. If at some point in the future VFGA decides that it will offer wrap program services, this brochure will be revised to include an Appendix I supplement containing a description of how those services will be offered and implemented.

4E:

Assets Under Management (AUM)

As of June 30, 2014, the number of client accounts and amount of client assets under advisement is as follows:

Discretionary:	\$ 0.00 (0 Accounts)
Non-discretionary:	\$ 74,000,000.00 (Approx. 770 Accounts)

VFGA's method for computing the amount of "client assets you manage" is the same method for computing "assets under management." The amount as disclosed above is rounded to the nearest \$1,000. The date of the calculation above is as of the fiscal year end and not more than ninety (90) days before the annual filing of this Brochure.

Account values are retrieved and downloaded from the third-party advisors and custodians as of months' end. Inactive accounts are not included. Values were summed, aggregated and rounded for total AUM. The number of accounts were aggregated and rounded for total accounts.

Item 5 - Fees and Compensation

5A:

Investment Management Fees

VFGA may charge an annual fee based upon assets under management (see below), and as agreed upon in the VFGA Advisory Services Agreement. The following schedule describes the annual fees generally charged based on the amount of assets under management:

<u>Assets Under Management</u>	<u>Annual Fee*</u>
\$0-\$100,000	2.20%
\$100,001-\$500,000	1.75%
\$500,001-\$1,000,000	1.50%
\$1,000,001-\$1,500,000	1.25%
\$1,500,001-\$2,000,000	1.00%

\$2,000,001+

TBD

* IAR's of VFGA may offer discounted rates from the rates listed under Fee Schedule. Discounts are provided at the discretion of the IAR and must be mutually agreed to in writing in the VFGA Investment Advisory Services Agreement. Fees may be negotiable between clients and their VFGA IARs.

5B:

Fees for Use of Third-Party Money Managers

The third-party advisers charge the client account fee against the respective client account each quarter, in advance, based on the account value on the last day of the prior quarter. Under their Client Account Management Agreement, third-party advisers may also charge additional administrative fees in addition to the quarterly fee, as disclosed above, and explained in detail in the client agreement. Again, the total combined fees for all services charged by a third-party money manager will not exceed 3%.

Third-party advisers, under an agreement with VFGA, pay a portion of their total fees to VFGA as a solicitor's fee, which generally ranges from 50 basis points to 1.00%, or as otherwise agreed upon. Fees for third-party money management are generally payable quarterly in advance and are deducted from the money market balance by the manager from the clients' accounts. If an account does not carry an adequate amount of cash in the money market to pay for management fees, clients may be notified and may be required to liquidate an investment in order to fund the money market account.

5C:

Along with the Advisory fee, third-party advisers pass along certain administrative fees to clients, which are charged by the respective clearing firms. These administrative fees are usually assessed annually on the anniversary of the account opening date. These fees include "annual custodian fee" or "alternative investments fee". Another example is "account closing fee", assessed when the account is closed. These fees do not exceed the total 3% guideline.

In accordance with California's CCR Section 260.238(j), clients should be aware that lower fees for comparable services may be available from other sources.

Third-Party Money Managers and Solicitor Arrangements Used by VFG Advisors

VFGA acts as a solicitor and refers clients to unaffiliated third-party investment advisors offering asset management and other investment advisory services. We perform due diligence in selecting the third-party money managers we recommend. Third-party investment advisors recommended by us must be registered or exempt from registration in the state where you reside. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with applicable state securities rules and regulations. In California, the code section for payments for client solicitations is CCR 260.238.2.

Through this service, we assist Clients to identify their risk tolerance and investment objectives and then recommend money managers relative to those objectives and tolerances. Clients select a recommended third-party investment advisor based on client needs and enter into an agreement directly with the selected advisor, who provides the asset management services. Our representatives are available to answer Client questions regarding Client's account. Our representatives also act as the communication conduit between Clients and the third-party investment managers.

Third-party managed programs generally have account minimum requirements. These minimum requirements vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third party investment advisor's services, fee schedules and account minimums are disclosed in the third-party investment advisor's Disclosure Brochure that is provided to Clients at the time an agreement for services is executed and an account is established. The type and frequency of reports provided to Clients also depends on the third-party investment advisor selected.

Third-party investment advisors may take discretionary authority to determine the securities to be purchased and sold. We do not have any discretionary authority and are not responsible for selecting

investments or implementing trades in Clients' accounts. We are responsible for determining the initial and on-going suitability and also for maintaining Clients' current information.

When referring clients to third-party money managers, we are paid a portion of the fee charged and collected by the third-party investment advisor in the form of solicitor fees or consulting fees. Clients do not directly pay us for this referral service and our solicitor/referral fee does not appear as a direct cost to Clients. However, the third-party money manager takes our solicitor/referral fee into consideration when determining the total fee charged to Clients. The third-party money manager also considers other factors when determining the fee, such as the amount of assets under management and the number of client accounts. The actual fee charged to clients varies depending on the third-party investment advisor selected.

We reviewed the performance of numerous third-party investment advisor firms and recommend the programs described below. Clients are advised that there may be other third-party managed programs that may also be suitable and that may be more or less costly. No guarantees can be made that Clients' financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.

Hanlon Investment Management

Suite 200
3393 Bargaintown Road
Egg Harbor Twp., NJ 08234
Phone: 888-641-7100
Fax: 609-601-7171
<https://hanloninvest.com/>

Howard Capital Management

555 Sun Valley Dr, Ste B-4
Roswell, GA 30076
770.642.4902 phone
770.642.4906 fax
<http://howardcm.com/>

ITS Asset Management, L.P.

1720 Washington Road
P.O. Box 1260
Washington, PA 15301
800.765.4877 Toll Free
724.745.2300 Phone
724.745.0900 Fax
www.itsconnect.com

Fidelity Institutional Wealth Services

800.735.3756 Phone
<https://fiws.fidelity.com/app/home>

**Integrity Bank and Trust
Wealth Management Office**

13540 Meadowgrass Drive
Colorado Springs, CO 80921
P: (719) 955-4801
F: (719) 488-8887
www.integritybankandtrust.com

W.E. Donoghue & Co. Inc.

Registered Investment Advisor Since 1986
629 Washington Street
Norwood, MA 02062
(800) 642-4276
www.donoghue.com

While each of these third-party money managers offer a tier-based fee structure, clients introduced by VFGA are generally charged 2.2% of total customer account assets under their management.

Hourly Consulting Fees

VFGA does not offer hourly consulting services at this time, and will amend this Brochure if at any time in the future we begin offering hourly consulting services.

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

5D:

VFGA clients are required to pay fees under their VFGA agreement in advance.

Termination of Agreement and Return of Excess Fees

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

For accounts with selected third-party money managers, the request for refunds is made directly to the custodian of assets (or third-party money manager) and is subject to their policies and procedures. Changes to fees after the establishment of the client account must be agreed to in writing by all parties. Termination of the account must be requested in writing to VFGA at: 100 Corporate Pointe, Suite 382, Culver City, CA 90230-7612. See the Form ADV of the respective money management company and the VFGA Investment Advisory Services Agreement for further details. Please refer to the VFGA Investment Advisory Services Agreement for complete terms and conditions for advisory services provided. A copy of these agreements is available upon request and at no cost obligation.

5E:

Supervised persons at VFGA may accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. This practice presents a conflict of interest because it gives VFGA or supervised persons at VFGA an incentive to recommend investment products based on the compensation received, rather than on a client's needs.

VFGA addresses conflicts that arise, such as these, by providing these conflicts and disclosures to clients upon opening an account and as material changes occur, and having policies and procedures in place to detect and prevent such conflicts. VFGA does not primarily recommend mutual funds.

Clients have the option to purchase investment products that VFGA and its supervised persons recommend through other brokers, agents or advisers that are not affiliated with VFGA.

Less than 50% of VFGA's revenue from advisory clients is a result of commissions and other compensation for the sale of investment products supervised persons recommend to VFGA clients, including asset-based distribution fees from the sale of mutual funds.

VFGA does not charge advisory fees in addition to commissions or mark-ups, and prohibits supervised persons from collecting compensation for the same customer assets outside of a fee-based account and for the same assets. A VFGA supervised person may not collect commissions for a securities transaction through a broker-dealer, while continuing to collect fees on a quarterly basis for those same assets. VFGA fees are monitored by the firm's Operations and Supervising Principal.

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

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

Item 7 - Types of Clients

VFGA provides investment advisory services to individuals and high net worth individuals. Some of our clients may be qualified as accredited investors, defined by the SEC as “natural persons as defined by Regulation D Rule 501(a)(5) and (6), which include different income and asset requirements for natural persons:

- Rule 501(a)(5) defines an accredited investor as a natural person whose individual net worth or joint net worth with a spouse exceeds a million dollars; and
- Rule 501(a)(6) defines an accredited investor as a natural person with income exceeding \$200,000 or joint income with a spouse of \$300,000 in each of the two most recent years (and reasonably expects the same income level in the current year).

Requirement for Opening Accounts (Minimum Investment Amount)

VFGA's fee range for each particular service is subject to negotiation and could vary depending upon various circumstances, including the scope of the services to be provided (the fee ranges for existing clients prior to current calendar year may differ from those indicated). VFGA requests that accounts opened be a minimum of \$50,000. However, VFGA principals may waive this account minimum. VFGA does not impose requirements for maintaining a minimum account size.

With regard to third-party money manager's/adviser's policy on account minimums, a condition for starting and maintaining a relationship is generally a portfolio size of \$75,000. Adviser makes an exception for qualified plans in which Adviser has been hired by the qualified plan or participant to serve as the investment adviser. Adviser reserves the right to accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, account composition, related accounts, and pre-existing clients. Adviser only accepts clients with less than the minimum portfolio size if, in the sole opinion of Adviser, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Adviser may aggregate the portfolios of family members to meet the minimum portfolio size.

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

8A:

Methods of Analysis

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

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

8B:

Use of Significant Investment Strategy

VFGA does not use any significant investment strategy at this time. However, in the event that VFGA employs a frequent trading strategy for its clients, it is important to note that such a strategy can have an

effect on investment performance, particularly through increased brokerage and other transaction costs and taxes.

8C:

VFGA may include recommendations to qualified, accredited investors to purchase certain Private Placements and non-traded REITS into their portfolios when appropriate and suitable. These products have the following risks: risk of illiquidity, loss of the client's principal investment, no secondary market to liquidate shares or units, tax consequences are highly complex, often such products have a limited operating history, very susceptible to economic conditions, are inherently volatile, in ability to accurately value the products, risky holdings and transactions, conflicts of interest within the product, credit risk, leverage risk, limited regulatory oversight or the absence of regulatory oversight. The products are speculative in nature and involve a high degree of risk. Such products are not for an investor with a need for liquidity.

Item 9 - Disciplinary Information

Disclosure Events

This section discloses any legal or disciplinary events that are material to a client's or prospective client's evaluation of VFGA's advisory business or the integrity of our management.

9A:

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

9B:

There is one disclosure event involving a State Regulatory Agency proceeding in which VFGA and its principal (Mr. Jason Vanclef) is involved. In 2011, VFGA was served notice of a complaint by the State of Colorado's Department of Regulation Agency (DORA) against VFG Advisors, Inc. ("VFGA"), VFG Securities, Inc. ("VFGS"), and Jason Vanclef as firm principal for employment of an unlicensed supervised person / investment adviser representative. VFGA, VFGS, and their associated persons were ordered to withdraw their respective registrations from the State of Colorado, and to refrain from conducting any securities or advisory business within the State of Colorado with or for residents in Colorado for a period of 3 years, or until the State of Colorado re-approves VFGA, VFGS and Vanclef's registrations in their state.

More details of the case can be found on the Investment Advisor's Public Disclosure site (IAPD) at www.Adviserinfo.sec.gov, or the BrokerCheck link, which is www.finra.org/brokercheck.

9C:

There are no disclosure events involving a self-regulatory organization (SRO) proceeding in which VFGA or a management person (1) was found to have caused an investment-related business to lose its authorization to do business or (2) was found to have been involved in a violation of the SRO's rules.

VFGA's Management Personnel

We are required to disclose any other 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. Other than what is disclosed above in the prior paragraphs, VFGA has no legal or disciplinary events that are material to your evaluation of our business. However, in the interest of full disclosure, and the fact that the following disclosure may be considered by even one customer as material to the integrity of our management, VFGA makes the following disclosure of a management person.

Mr. Jason Vanclef, VFGA's President and CEO, has been the subject of 6 customer-initiated complaints received since August 2012. Each of these disputes involve customer purchases of non-traded real estate investment trust investments or tenant-in-common real estate purchases, and specifically include claims that the investment recommendations were not suitable. Mr. Vanclef and VFGA believe that each dispute is a direct result of the real estate market crisis, not a result of any wrong doing by Mr. Vanclef.

Each of these disputes has been settled. There are no other disclosure events for Mr. Vanclef or any other VFGA Management Personnel.

The details of these cases can be found on the Investment Advisor's Public Disclosure site (IAPD). Clients can access IAR disciplinary history by clicking on the IAPD link, which is www.Adviserinfo.sec.gov, or the BrokerCheck link, which is www.finra.org/brokercheck.

Item 10 - Other Financial Industry Activities and Affiliations

10A:

Broker/Dealer Affiliation

Investment Adviser Representatives and Supervised Persons associated with VFGA may also be Registered Representatives with VFG Securities, Inc. ("VFGS"), an affiliated, registered broker/dealer, and member of FINRA and SIPC. VFGA and VFGS are under common ownership by Vanclef Financial Group, Inc., which is wholly owned by Jason Vanclef. As such, Investment Adviser Representatives may recommend securities products for a commission through a non-advisory account. This could present a potential conflict of interest in that Investment Adviser Representatives could receive commissions through the broker-dealer if the client chooses to implement recommendations made in their capacity as a registered representative. However, clients are under no obligation to purchase products that Investment Adviser Representatives recommend, or to purchase products through VFGS. All material conflicts of interest are disclosed regarding VFGA which could be reasonably expected to impair the rendering of unbiased and objective advice.

10B:

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

10C:

As disclosed above in 10A, VFGA has an affiliation to a Broker Dealer, VFG Securities. VFGA supervised and management persons consider on an initial and ongoing basis whether it is in the clients' best interest to place their assets in a fee-based management account for on-going active management through a third-party manager, or if it is in the clients' best interest to purchase securities in a commission-based account whereby they purchase or sell securities and pay a commission without the ongoing active management and quarterly management fee assessed.

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

Additionally, as a preventative measure, all client transactions will be conducted and implemented before any such transaction relating to any personal accounts of any affiliated persons of VFGA. In addition to this measure, all of the aforementioned management persons of VFGA will act in accordance with applicable securities laws and conduct their business to ensure overall compliance with Insider Trading rules and the Securities Fraud Enforcement Act of 1988.

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

IARs may also provide securities products through a non-affiliated broker/dealer and may be paid a commission for said products. Clients of VFGA are under no obligation to act upon the recommendations

made by IARs of VFGA nor are they required to effect said securities transactions through an IAR of VFGA in their capacity as a registered representative of a non-affiliated broker/dealer firm. Lower fees for comparable services may be available from other sources. This business represents approximately 25-50% of time devoted by VFGA IARs.

Insurance Agency Affiliation

VFGA maintains certain relationships and/or arrangements that are material to its advisory business or to its clients that VFGA or its management persons may have with a related person. Specifically, Jason B. Vanclef, President and CEO of VFG Advisors, Inc., also performs executive duties as President and CEO of Vanclef Financial Group, a licensed life insurance agency, and VFG Securities, Inc., a registered broker-dealer. He is also a Series 7 Registered Representative and Series 24 General Securities Principal of VFG Securities, Inc., and a Series 66 investment adviser representative of VFG Advisors, Inc. Mr. Vanclef offers securities products and services to clients which he may receive a commission or fee for. Mr. Vanclef is also a licensed life insurance agent in the State of California and offers insurance products through carriers in which he is appointed and for which he may be paid a commission, and in such capacity, may recommend, on a fully disclosed basis, the purchase of certain insurance-related products. This may present a potential conflict of interest between VFGA's interests and those of its advisory clients. However, clients are under no obligation to purchase products VFGA or its supervised or management persons may recommend, or to purchase products or services through VFGA, its affiliated companies, its supervised persons or its management persons. This business represents approximately 50% of time devoted by VFGA IARs.

10D:

Selection of Other Investment Advisers

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

Real Estate Done 4U

Based on results from certain VFGA client portfolio reviews, including suitability, risk tolerance and investment objectives, Mr. Jason Vanclef may recommend that clients include real estate in their portfolios in an effort to meet their stated objectives. Mr. Vanclef may refer VFGA clients to "Real Estate Done 4U", a real property investment company for which he may be paid a referral fee. This may present a potential conflict of interest between VFGA's interests and their advisory clients. However, clients are under no obligation to purchase real estate through Real Estate Done 4U which VFGA's supervised or management persons may recommend, or to purchase products or services through VFGA, its affiliated companies, its supervised persons or its management persons. This referral relationship may only represent a fraction of an hour devoted per month for Mr. Vanclef.

Disclosure of Material Conflicts

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

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

11A:

Code of Ethics

VFGA has adopted a Code of Ethics that all supervised and management persons must abide by. VFGA will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

VFGA's Code of Ethics is based upon the principle that VFGA and its employees and supervised persons owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking

inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

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

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

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

11B:

On occasion, VFGA supervised and management persons may recommend securities to clients, or buy / sell for clients' accounts, securities in which VFGA or a related person has a material financial interest. This presents a potential conflict of interest. However, VFGA supervised and management persons are (1) prohibited from directly buying from or selling to VFGA customers securities, or otherwise acting in a principal capacity, other than in a "riskless principal" transaction authorized by the firm's Chief Compliance Officer. Further, VFGA and its related persons are prohibited from (2) acting as a general partner in a partnership in which VFGA related persons solicit client investments, and (3) VFGA and its related persons are prohibited to act as an investment adviser to an investment company that VFGA recommends to its clients.

11C and 11D:

Participation/Interest in Client Transactions

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

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

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

Item 12 - Brokerage Practices

12A:

1. Research and Other Soft Dollar Benefits

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

2. Brokerage for Client Referrals

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

3. Directed Brokerage

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

12B:

Aggregation of Client Orders

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

Item 13 - Review of Accounts

13A:

VFG Advisors invites clients for frequent account reviews with their investment advisor representative. Because VFGA does not have discretionary authority over client accounts, accounts are reviewed at the request and approval of the client. When an account is reviewed, overall investment management, market prospects and individual issue prospects are considered in the review process.

13B:

Triggering factors that may affect an account review could be any material change in a client's account such as a change in company earnings, industry/company outlook as well as other economic factors. All account reviews are conducted by the investment adviser professional assigned to each account. VFGA investment adviser representatives will contact all clients at least annually to encourage a review of their financial objectives, account performance as well other relevant factors.

13C:

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

VFGA monitors client account activity on a periodic basis, which may include customer statements, third-party money manager information downloads, and internal system information. The nature of the review is to monitor for account suitability and alignment with the account's stated objectives, as well as any potential changes that may be necessary. This review may occur monthly or quarterly determined by the investment adviser representative and/or designated supervising principal and director of operations on a risk-basis. Occasionally, the chief compliance officer will review the Adviser's activities on a periodic basis by reviewing customer activity, statements and exception reports available through the firm's internal systems.

Individual Portfolio Management

VFGA does not provide individual portfolio management. VFGA offers advisory accounts through third-party portfolio managers and outside advisory account custodians. VFGA monitors these accounts in a non-discretionary capacity. The underlying securities within the advisory accounts and the accounts themselves are continually monitored by IARs through account and customer statement review which occurs at least quarterly. IARs review these accounts with their customers at least annually. Accounts are reviewed in the context of each client's individually stated investment objectives and guidelines. More frequent reviews may be necessary and appropriate triggered by circumstances such as unusual trading patterns, frequency, volume, and size of transactions, material changes such as a client's personal circumstances, or the market, political or economic environment.

Third-Party Money Managers

Clients who have these accounts should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

Consulting Services

While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

For more information on the differences between these types of account services, we refer you to **Item 4B: Types of Advisory Services Offered.**

Item 14 - Client Referrals and Other Compensation

14A:

Receipt of Economic Benefit (non-client)

VFGA does not receive an economic benefit for providing investment advice or other advisory services from someone who is not a client. Advisory services are offered by agreement only.

14B:

Direct / Indirect Compensation for Client Referrals

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

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined as having access or control over client funds and/or securities, but does **not** include the ability to execute transactions in client accounts. Custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented. Please note that regulators have deemed the authorization to trade in client accounts to not be custody. However, we are deemed to have custody of client funds and securities whenever we are given the authority to have fees deducted directly from client accounts. Our procedures do **not** result in our maintaining custody of client funds and securities.

For accounts where we are deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the creation of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from us. When clients have questions about their account statements, they should contact us or the qualified custodian preparing the statement.

Per California's code section CCR 260.237, none of the safeguarding procedures to not be deemed as having custody of client accounts, we send clients' invoices, including a fee calculation formula, to clients at the same time we send it to the custodian every time we withdraw fees directly from client accounts.

Item 16 - Investment Discretion

VFGA does not have or accept discretionary authority to manage securities accounts or advisory portfolios on behalf of clients. However, investment discretion may be granted to the chosen third-party money manager by individual clients.

Item 17 - Voting Client Securities

17A:

VFGA does not have the authority to vote client proxies and therefore is not required to take action or render advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which assets of the clients account(s) may be invested from time to time. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients may contact VFGA directly at (310) 410-8341 if they have any questions regarding a particular solicitation.

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

17B:

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 the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 - Financial Information

18A:

Pre-Payment of Fees

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

However, VFGA has no adverse financial disclosures or circumstances to report.

18B:

Material Impact of Discretionary Authority

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

Custody Disclosure

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

18C:

Bankruptcy Disclosure

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

Item 19 - Executive Officers and Management Persons

19A:

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

Name:	Jason B. Vanclef , President and CEO
Year of Birth:	1971
Education:	Cal Poly San Luis Obispo; B.S. in Biological Chemistry (1994)
Background:	VFG Advisors, Inc.; President and CEO (04/2009-Present) VFG Securities, Inc.; President and CEO (10/2009- Present) Vanclef Financial Group, Inc.; President and CEO (01/2002-Present)

Madison Avenue Securities, Inc. Registered Rep./Advisory Rep. (02/2007-10/2009)
Sigma Financial Corp. Registered Representative (02/2006-02/2007)
Licenses: FINRA Series 7 & 24; NASAA Series 66; California Insurance Licensed
Designations: Graduate Estate Planning Consultant (GEPC)
Certified Estate Planner (CEP)
Registered Financial Consultant (RFC)
California Notary Public

19D:

Disclosure Events: Mr. Vanclef has been the subject of 6 customer-initiated complaints filed since August 2012. All 6 of these disputes involve customer purchases of non-traded real estate investment trust investments or tenant-in-common real estate purchases, and claims that the investment recommendations were not suitable. Mr. Vanclef believes that all of these disputes are a direct result of the real estate market crisis, not a result of any wrong doing on his part. All cases have been settled. There are no other disclosure events for Mr. Vanclef.

The details of these cases can be found on the Investment Advisor's Public Disclosure site (IAPD). Clients can access IAR disciplinary history by clicking on the IAPD link, which is www.Adviserinfo.sec.gov, or the BrokerCheck link, which is www.finra.org/brokercheck.

Name: Edward L. Price, Chief Compliance Officer
Year of Birth: 1951
Education: United States Naval Academy; Bachelor of Science
University of California, Berkeley; MBA: Finance/Accounting
Columbia University, New York, NY; MBA Executive Seminar
Background: VFG Advisors, Inc.: Chief Compliance Officer (10/2013 – Present)
VFG Securities, Inc.: Chief Compliance Officer (10/2013 – Present)
Capwest Securities, Inc.: Chief Operations Officer (2008 – 2011)
2C Processor USA, Inc.: Chief Financial Officer (2005 – 2008)
Financial West Group, Inc.: Chief Financial Officer (1987 – 2005)
Licenses: FINRA Series 7, 24, 27; NASAA Series 66
Designations: Certified Regulatory Compliance Professional (CRCP); Wharton University (2003)
Disclosure Events: There are no disclosure events for Mr. Price.

Name: Tuan Ngo, Director of Operations and Supervisory Principal
Year of Birth: 1973
Education: University of Texas at Arlington; Bachelor of Business Administration, (1996)
Background: VFG Advisors, Inc.; Director of Operations and Supervisory Principal (07/2010 - Present)
VFG Securities, Inc.; Director of Operations and Supervisory Principal (07/2010 - Present)
Pershing, LLC; Assistant Vice President (01/2008 - 11/2008)
Financial Network Investments Corp.; Operations Manager (12/2005 – 11/2007)
Roberts & Ryan Investments Inc.; Operations Manager (09/2002 – 11/2005)
Licenses: FINRA Series 4, 7, 9/10, 24, 53, 55 & 99; NASAA Series 63 & 65
Designations: California Notary Public
Disclosure Events: There are no disclosure events for Mr. Ngo.

19B:

All relationships or arrangements involving management persons are previously disclosed in **Item 10**.

Business in which we are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business may be found in **Item 10** of this Brochure.

19C:

All advisory fees and how these fees will be calculated are previously disclosed above in **Item 5**. However, VFGA is not compensated for advisory services with performance-based fees.

19E:

VFGA and its *Management Persons* have no relationship or arrangement with any issuer of securities that is not listed in Item 10 of Part 2A.

Item 20 - Privacy Policy

Privacy Policy Notice

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

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

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

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

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

WHAT DOES VFG Advisors ("VFGA") DO WITH YOUR PERSONAL INFORMATION?

How does VFG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does VFG collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • seek advice about your investments • enter into an investment advisory contract • tell us about your investment or retirement portfolio • tell us about your investment or retirement earnings • give us your contact information <p>We also collect your personal information from other companies.</p>

Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes information about your creditworthiness • affiliates from using your information to market to you • sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
---------------------------------------	--

Reasons we can share your personal information	Does VFGA share?	Can you limit this sharing?
For our everyday business purposes - as permitted by law	YES	NO
For our marketing purposes - to offer our products and services to you	YES	NO
For joint marketing with other financial companies	NO	We Don't Share
For our affiliates' everyday business purposes - information about your transactions and experiences	NO	We Don't Share
For our affiliates' everyday business purposes - information about your creditworthiness	NO	We Don't Share
For non-affiliates to market to you	NO	We Don't Share

Questions?		Call VFGA's Privacy Officer at (310) 410-8341.
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and income • account balances and transaction history • assets and risk tolerance <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons VFGA chooses to share; and whether you can limit this sharing.	