



## **Risk Paradigm Group, LLC**

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

**Effective: April 25, 2014**

This Disclosure Brochure provides information about the qualifications and business practices of Risk Paradigm Group, LLC (“RPg”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (866) 726-5150 or by email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

RPg is a Registered Investment Advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about RPg to assist you in determining whether to retain the Advisor.

Additional information about RPg and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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CRD No: 155870  
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## Item 2 – Material Changes

Form ADV 2 is divided into two parts: *Part 2A and Part 2B*. *Part 2A* (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. *Part 2B* (the “Brochure Supplement”) provides information about advisory personnel of RPg.

RPg believes that communication and transparency are the foundation of our relationship and continually strive to provide our Clients with the complete and accurate information at all times. We encourage all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

#### Item 4.B. – Investment Products:

- RPg is no longer offering the Separately Managed Account Strategy RPg AlphaSector Hedged Portfolio (“HP”).
- RPg is no longer offering the Separately Managed Account Strategy Market Neutral SVQ Portfolio Strategy (“SVQ”). RPg is no longer offering the ICP Endowment Stability Fund (“ESF”).

#### Item 12 – Soft Dollars:

- On a limited basis, RPg directs trades to broker-dealers where soft-dollar credits are used to purchase research products and services. See item 12.

#### Item 17 – Proxy Voting:

- RPg has made changes to its proxy voting procedures as described in Item 17.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of RPg.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

To review the firm information for RPg:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Investment Advisor Firm** and enter **155870** (our firm’s CRD number) in the field labeled “Firm IARD/CRD Number”.
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (866) 726-5150 or by email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Risk Paradigm Group, LLC (“RPg”, the “Advisor”, “us” or “we”) is a Registered Investment Advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (“LLC”) under the laws of the State of Texas. RPg was founded October 2010 and is a wholly owned subsidiary of RPg Holdings, LLC. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by RPg.

### **B. Advisory Services Offered**

RPg offers investment advisory services to financial intermediaries including institutional consultants, individual Financial Advisors, and Registered Investment Advisors to offer to their clients (each referred to as a “Client” or “you”).

Please contact Christopher S. Jensen, the Advisor’s Interim Compliance Officer, with any questions regarding this Disclosure Brochure.

### **Account Portfolio Management**

RPg will manage Client portfolios on a discretionary basis based on the investment mandate selected for each Client. RPg also acts as a model manager provider on certain financial intermediary platforms. RPg is an alternative asset management firm specializing in the comprehensive analysis, measurement, and application of risk management principles to diversified investment portfolios. Utilizing both quantitative and qualitative analysis methodologies, RPg provides expertise to investment portfolios requiring exposure to non-traditional asset class investments in a manner strategic to return targets, portfolio spending policies, and volatility limits or risk budgets.

**Investment Products Offered by RPg:** RPg will utilize its expertise described above by managing the following investment products:

**Diversified Risk Parity Fund (“DRP Fund”):** The investment objective of the Diversified Risk Parity Fund is to achieve capital appreciation that approximates the risk and return patterns of a diversified global hedge fund of funds strategy. Using a proprietary “Diversified Risk Parity” strategy, the Fund seeks risk factor neutrality within three major risk factors. These are: economic growth, inflation and volatility of returns. In an effort to move the Fund towards neutrality, the advisor feels it is important to shift the risk exposure of DRP away from areas where general hedge fund allocations create large exposures to certain economic factors. This risk can then be re-allocated into those environments where the Fund lacks material exposure. The Fund seeks to achieve this investment objective by investing, long or short, across a broad array traditional and alternative asset classes, as well as through the use of derivatives. Traditional asset classes include: (1) common and preferred stocks of US and foreign issuers of any capitalization or currency; (2) fixed income securities of US and foreign issuers of any maturity, currency or credit quality including high yield or junk bonds; and (3) exchange traded-notes (“ETNs”), exchange traded funds (“ETFs”), open-end investment companies (mutual funds) and closed-end funds that primarily invest in stocks and fixed income securities (“Traditional Underlying Funds”). Traditional Underlying Funds are purchased without restriction as to issuer capitalization, country, credit quality (including securities rated below BBB- by Standard and Poor’s Ratings Group or equivalently by another rating agency, which are commonly known as “junk bonds”) or currency. Alternative asset classes include: (1) limited partnerships, (2) limited liability companies, (3) master limited partnerships (“MLPs”), and (4) ETNs, ETFs, mutual funds and closed-end funds (collectively “Alternative Underlying Funds”) that each primarily invest in (i) commodities, (ii) currencies, (iii) real estate, (iv) financial indices, or (iv) MLPs that employ specialized strategies such as merger arbitrage, fixed income arbitrage, market neutral or global macro trend-following. Alternative Underlying Funds are purchased without restriction as to issuer capitalization, country, credit quality or currency. Derivatives used by the Fund include: exchange-traded or over-the-counter (1) options, (2) futures contracts, (3) forward contracts and (4) swaps on (i) commodities, (ii) financial indices and instruments, (iii) foreign currencies, or (iv) equity indices. The Fund uses options, forwards and futures as substitutes for securities, to generate capital gains and/or to hedge portfolio risk. The Fund uses swaps to generate returns substantially similar to the price changes in commodities, financial indices, instruments, foreign currencies or equity indices to which they are linked. Diversified Risk Parity Fund (DRP Fund) is offered in Class A shares (DRPAX) and Class I – Institutional shares (DRPIX) to investors.

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**RPg Emerging Markets Sector Rotation Fund (“EM Fund” or “Fund”):** The investment objective of the EM Fund is to achieve capital appreciation while experiencing less volatility than broader Emerging Markets equity indices. The Fund seeks to achieve its investment objective by allocating among emerging market securities that represent common stocks of companies in nine major market sectors. The Fund defines emerging market securities to include securities of emerging market issuers, ADRs representing securities of emerging market issuers, ETFs that invest primarily in emerging market issuers, and swap contracts on such securities. The investment methodology adheres to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. This methodology is a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance with a maximum cap of 25% for any sector exposure at that time. If 6 or more sectors are out of the portfolio, the portfolio begins to build a cash position (Short-term Treasury ETF). The EM Fund is sub-advised by F-Squared Institutional Advisors, LLC and offers Class A shares (EMSAX) and Class I Institutional shares (EMSIX) to investors.

**RPg AlphaSector® Core Domestic Equity Portfolio Strategy (“Core Domestic Equity” or “CDE”):** The Core Domestic Equity strategy has an investment objective of long-term capital appreciation and seeks to deliver the returns of the AlphaSector® Premium Index, an index that strives to approximate upside market performance of the S&P 500® Index with reduced downside market participation. CDE invests in the 9 major sectors of the US equity markets through domestic sector ETFs while using the AlphaSector® methodology to adhere to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. This methodology is a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance with a maximum cap of 25% for any sector ETF at that time. If 6 or more sectors are out of the portfolio, the portfolio begins to build a cash position (Short-term Treasury ETFs). We manage CDE in Separately Managed Accounts.

**RPg AlphaSector® Premium FT Portfolio Strategy (“Premium FT” or “PFT”):** PFT has an investment objective of long-term capital appreciation and seeks to deliver the returns of the AlphaSector® AlphaDEX Premium Index, an index that strives to approximate upside market performance of the S&P 500® Index with reduced downside market participation. PFT invests in the 9 major sectors of the US equity markets through the First Trust AlphaDEX® domestic sector ETFs while using the AlphaSector® methodology to adhere to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. This methodology is a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance with a maximum cap of 25% for any sector at that time. If 6 or more sectors are out of the portfolio, the portfolio begins to build a cash position (Short-term Treasury ETF). We manage PFT in Separately Managed Accounts.

**RPg AlphaSector® Core Emerging Market Equity Portfolio Strategy (“Core Emerging Markets Equity” or “CEME”):** Core Emerging Markets Equity has an investment objective of long-term capital appreciation and seeks to deliver the returns of the AlphaSector® Emerging Markets Index, an index that strives to approximate upside market performance of the MSCI Emerging Markets Index with reduced downside market participation. CEME seeks to achieve its investment objective by allocating among emerging market securities that represent common stocks of companies in nine major market sectors. CEME defines emerging market securities to include securities of emerging market issuers, ADRs representing securities of emerging market issuers, ETFs that invest primarily in emerging market issuers, and swap contracts on such securities. CEME utilizes the AlphaSector® methodology to adhere to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. This methodology is a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance with a maximum cap of 25% for any sector at that time. If 6 or more sectors are out of the portfolio, the portfolio begins to build a cash position (Short-term Treasury ETF). We manage CEME in Separately Managed Accounts.

**RPg AlphaSector® Target Risk Models Strategy (“Target Risk” or “TR”):** Target Risk has an investment objective of long-term capital appreciation and seeks to deliver the returns of the AlphaSector® Allocator Premium Index, an index that strives to approximate upside market performance encompassed by the four broad asset classes (“Sleeves”) of U.S. Equity, International Equity, Fixed Income, and Real Assets with reduced downside market participation. Target Risk is a suite of three investment strategies, providing an appropriate

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risk/return profile for investors from Conservative to Moderate to Aggressive. Based on the Client's individually reported risk profile, TR seeks to achieve its investment objective by allocating across the four Sleeves while using the AlphaSector® methodology to adhere to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. This methodology is a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance. If the methodology determines that extreme market drawdown conditions exists, the portfolio begins to build a cash position (Short-term Treasury ETF). We manage Target Risk in Separately Managed Accounts.

**Customized Portfolio Strategy Solutions to private clients, endowments, and foundations:** Utilizing our internal expertise and access to top alternative investment managers, we will design and manage customized alternative portfolios for specific clients requiring diversification to their overall portfolio.

RPg evaluates and selects securities for inclusion in its investment strategies only after applying its internal due diligence process. RPg will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will RPg accept or maintain custody of a Client's funds or securities. All Client assets will be managed within their designated brokerage account or pension account, pursuant to the Client investment management agreement.

### C. Client Account Management

Prior to engaging RPg to provide investment advisory services, each Client is required to enter into an investment management agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Investment Management and Supervision – RPg will provide investment management and ongoing oversight of the Client's portfolio and overall account.
- Establishing an Investment Policy Statement – RPg, in connection with the Client's Advisor, may develop a statement that summarizes the Client's investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives.
- Asset Allocation – RPg will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – RPg will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.

### D. Wrap Fee Programs

RPg does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by RPg.

FWA does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by FWA and customized to the unique needs of each Client.

RPg may absorb the securities transaction fees for RPg discretionary trading in Client accounts as part of its overall Investment Advisory Fee (See Item 5 – Fees and Compensation).

### E. Assets Under Management

As of December 31, 2013, RPg manages the following assets:

Assets Under Management	Assets
Discretionary Assets	\$268,930,518
Non-Discretionary Assets	\$96,182,631
<b>Total</b>	<b>\$365,113,149</b>

Clients may request more current information at any time by contacting the Advisor.



## **Item 5 – Fees and Compensation**

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### **General Account Characteristics**

Described below are general characteristics regarding “other” fees incurred, discretionary authority, payment of fees, and termination of contracts that will affect your account(s). Following these disclosures are descriptions of the accounts or services that we offer, the basic management fee structures and any unique characteristics.

### **Payment of Fees**

The basic fee schedule for RPg’s investment products and services are payable as described below, and automatically deducted from the primary account (i.e., Clients with multiple accounts) pursuant to the advisory agreement.

Both our investment management agreement and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of our investment management fee and to directly remit that investment management fee to us in compliance with regulatory procedures. Clients will be provided with a statement from the account custodian at least quarterly reflecting deduction of the investment management fee.

Details on the termination terms and fees can be found in the applicable investment management agreements.

### **40-Act Registered Mutual Funds**

**Diversified Risk Parity Fund (the “DRP Fund”):** RPg will charge a management fee of 1.60%, with an expense limitation maintained by the DRP Fund of no more than 2.20% for Class A shares and 1.95% for Class I shares. Fees will be payable quarterly in advance, and will be automatically deducted by the fund administrator (Gemini Fund Services, Inc.). Assets will be held in custody by a third party custodian (current examples include Union Bank of California). Investors may terminate at any time (T+3), and upon termination, any prorate collected investment management fees will be returned in accordance with the regulatory compliance of the fund administrator.

**RPg Emerging Markets Sector Rotation Fund (the “EM Fund”):** RPg will charge a management fee of 1.10%, with an expense limitation maintained by the EM Fund of no more than 1.75% for Class A shares and 1.45% for Class I shares. Fees will be payable quarterly in advance, and will be automatically deducted by the fund administrator (Gemini Fund Services, Inc.). Assets will be held in custody by a third party custodian (current examples include Union Bank of California). Investors may terminate at any time (T+3), and upon termination, any prorate collected investment management fees will be returned in accordance with the regulatory compliance of the fund administrator.

### **Separately Managed Account Strategies**

**RPg AlphaSector® Core Domestic Equity (“CDE”):** CDE in Separately Managed Accounts: In this structure, RPg will charge a management fee of 1% of the assets under management in each account. Fees will be payable quarterly in advance, and will be automatically deducted from Client accounts. Assets will be held in custody by a third party custodian (current examples include Morgan Stanley, Citi, and Fidelity/NFS). Clients may terminate at any time (T+3), and upon termination, any prorate collected investment management fees will be returned to the investor within 30 days of termination.

**RPg AlphaSector® Premium FT (“PFT”):** PFT in Separately Managed Accounts: In this structure, RPg will charge a management fee of 1% of the assets under management in each account. Fees will be payable quarterly in advance, and will be automatically deducted from Client accounts. Assets will be held in custody by a third party custodian (current examples include Morgan Stanley, Citi, and Fidelity/NFS). Clients may terminate at any time (T+3), and upon termination, any prorate collected investment management fees will be returned to the investor within 30 days of termination.

**RPg AlphaSector® Core Emerging Markets Equity (“CEME”):** CEME in Separately Managed Accounts: In this structure, RPg will charge a management fee of 1% of the assets under management in each account. Fees will be payable quarterly in advance, and will be automatically deducted from Client accounts. Assets will be held in custody by a third party custodian (current examples include Morgan Stanley, Citi, and Fidelity/NFS). Clients may terminate at any time (T+3), and upon termination, any prorate collected investment management fees will be returned to the investor within 30 days of termination.

**RPg AlphaSector Target Risk Models Strategy (“TR”):** TR in Separately Managed Accounts: In this structure, RPg will charge a management fee of 1% of the assets under management in each account. Fees will be payable

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quarterly in advance, and will be automatically deducted from Client accounts. Assets will be held in custody by a third party custodian (current examples include Morgan Stanley, Citi, and Fidelity/NFS). Clients may terminate at any time (T+3), and upon termination, any prorated collected investment management fees will be returned to the investor within 30 days of termination.

**Customized Portfolio Solutions to Private Clients, Endowments, and Foundations:**

RPg charges investment management fees from 0.50% to 2.50% annually based on assets under management. Fees will be structured based on a (a) the investment policy of the Client (i.e., the objective of the portfolio) and (b) the instruments employed by RPg as the manager of the portfolio. A recurring example would be managing a portfolio that included outside hedge fund vehicles, Exchange Traded Funds (ETFs), managed futures (CTAs), and direct investments into specific opportunities. In this scenario, an investment management fee would be charged and a performance fee would be applied to only to the opportunities that we manage directly using internal expertise or direct, proprietary strategies. Fees will be calculated from NAV and paid monthly in arrears, and will be automatically deducted from client accounts. Assets will be held in custody by a third party custodian (current examples include Citi, Fidelity/NFS, and Morgan Stanley Wealth Management).

**Additional Information Concerning Fees**

In certain circumstances, investment management fees may be negotiable based upon specific requirements. The fees charged are calculated as described above. For certain Clients, RPg may absorb normal transactions fees charged by the custodian and/or executing broker-dealer for trading costs associated with implementing and maintaining RPg investment strategies. These fee negotiations are detailed in the Client's Investment Management Agreement. For Client-directed trades, the Client shall be responsible for all transaction fees charged by the custodian and/or executing broker-dealer.

Prior to the commencement of services, the Client and RPg will enter into a written agreement that sets forth the terms and conditions of the engagement, describes the scope of the services to be provided, and the portion of the fee that is due from the Client prior to RPg commencing and upon finalizing services.

All fees paid to RPg for investment advisory services are separate from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus.

RPg does not have custody of any Client funds or securities. A qualified and independent custodian will be used for these asset custodial and management services.

RPg may offer advice involving investments in stocks, ETFs, hedge funds, private equities, managed futures, master limited partnerships, and mutual funds. Clients are advised that all fees paid to RPg for investment management services are separate and distinct from the fees and expenses charged by stocks, ETF's, hedge funds, private equities, managed futures, and mutual funds (described in each fund's prospectus) to their shareholders. Such fees will generally include a management fee, other fund expenses and a possible distribution fee.

Clients should review all fees charged by mutual funds, including money market funds, RPg, and others to fully understand the total amount of fees being paid.

**Termination of Contracts**

Upon written notice, the investment management agreement may be terminated at any time by either party. For fees paid in advance, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to the Client. The custodian will deliver securities and funds held at custodian as instructed by the Client, unless the Client requests that the securities and funds be liquidated. Termination of an investment management agreement will not affect the liabilities or obligations of the parties arising out of any transaction initiated prior to termination. An investment management agreement will not terminate in the event of your death, disability, or incompetence. However, in the event of the Client's death, disability, or incompetence, the Client's executor, guardian, attorney-in fact or other authorized representative may terminate an investment management agreement by providing written notice to RPg with such termination being effective upon our receipt of such notice.



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

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Performance fee or incentive fee is a fee paid to an investment manager based on the performance of a Client's portfolio. If the value of the Client's portfolio declines during a year, no performance fee will be payable to the investment manager.

RPg may charge on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client, provided, we comply with requirements of SEC Rule 205-3 (17 Code of Federal Regulations §275.205-3), which prohibits the use of such fee unless the Client is a "Qualified Client."

### **Who is a "Qualified Client"?**

The Investment Advisers Act of 1940 (the "Advisers Act"), Rule 205-3(d)(1) defines a "Qualified Client" who is financially sophisticated and meets one or more of the following conditions:

1. Client is a natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the Advisor;
2. Client is a natural person who or a company that immediately prior to entering into the contract, has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000 at the time the contract is entered into. In general, a qualified client may include:

All material information concerning the proposed advisory arrangement is made to you prior to entering into an advisory contract including the following:

1. That the fee arrangement may create an incentive for the Advisor to make investments that are riskier or more speculative than would be the case in the absence of a performance fee;
2. Where relevant, that the Advisor may receive increased compensation with regard to unrealized appreciation as well as realized gains in the Client's account;
3. The time period which will be used to measure investment performance throughout the term of the contract and its significance in the computation of the fee;
4. The nature of any index which will be used as a comparative measure of investment performance, the significance of the index, and the reason the advisor believes the index is appropriate; and
5. Where an Advisor's compensation is based on the unrealized appreciation of securities for which market quotations are not readily available, how such securities will be valued and the extent to which the valuation will be independently determined.

Our compensation structure is disclosed in detail in Item 5 above.

## **Item 7 – Types of Clients**

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RPg offers investment advisory services to financial intermediaries including institutional consultants, individual Financial Advisors, and Registered Investment Advisors to offer to their clients. Our target investor is everyone from the retail investor who seeks more diversification than the traditional stock/bond allocation to the high and ultra high net worth investor, family office, pension, endowment or foundation. We require the following minimum dollar amounts to open/maintain an account:

1. DRP and EM Mutual Funds: A Shares: \$2,500 minimum/\$100 increments to deposit/redeem. I Shares: \$1,000,000 minimum/\$100 increments to deposit/redeem.
2. Separately Managed Accounts: \$100,000 minimum

The relative percentage each type of Client is available on RPg's Form ADV Part 1. These percentages will change over time.

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

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RPg seeks to achieve the specific product investment objectives by investing, long or short, across a broad array of traditional asset classes, alternative asset classes and derivatives selected using proprietary risk management metrics and other tools.

Traditional asset classes include: (1) common and preferred stocks of US and foreign issuers of any capitalization or currency; (2) fixed income securities of US and foreign issuers of any maturity, currency or credit quality including high yield or junk bonds; and (3) exchange traded-notes ("ETNs"), exchange-traded funds ("ETFs"), open-end investment companies (mutual funds) and closed-end funds that primarily invest in stocks and fixed income securities ("Traditional Underlying Funds"). Traditional Underlying Funds are purchased without restriction as to issuer capitalization, country, credit quality or currency.

Alternative asset classes include: (1) limited partnerships, (2) limited liability companies, (3) master limited partnerships ("MLPs"), and (4) ETNs, ETFs, mutual funds and closed-end funds (collectively "Alternative Underlying Funds") that each primarily invest in (i) commodities, (ii) currencies, (iii) real estate, (iv) financial indices, or (iv) MLPs that employ specialized strategies such as merger arbitrage, fixed income arbitrage, market neutral or global macro trend-following. Alternative Underlying Funds are purchased without restriction as to issuer capitalization, country, credit quality or currency.

Derivatives used by the RPg strategies include: exchange-traded or over-the-counter (1) options, (2) futures contracts, (3) forward contracts, and (4) swaps on (i) commodities, (ii) financial indices and instruments, (iii) foreign currencies, or (iv) equity indices. Certain strategies or structures use derivatives as substitutes for securities, to generate capital gains and/or to hedge portfolio risk.

We actively manage investments using risk management strategies, which employ both technical and fundamental analysis. We buy and sell securities to maintain allocations as dictated by the respective strategies and to manage risk. We may engage in frequent buying and selling of portfolio securities and derivatives to achieve the stated investment objectives.

RPg strategies are intended to offer unique and compelling characteristics. Our primary focus is to improve the risk adjusted return profile. Our strategies are natural diversifiers, which has a positive impact on the risk/return characteristics of the over-all portfolio. We seek to preserve liquidity in our strategies. Our Core Domestic (ASCDE) and Core Emerging Market (ASCME) strategies both offer long-only blended large cap equity exposures through ETF's in a manner which allows the investor to participate in the growth of the respective equity markets while also applying policy-based risk controls to reduce risk and build cash during market corrections.

As volatility accelerates, our portfolios will systematically reduce their risk exposures, or in certain strategies, they'll increase their hedges. RPg's core strategies by design will not likely keep up with a market that is going straight up. Our strength is during times of higher volatility and rising correlations. We defend capital and allow the portfolios to compound. We seek to mitigate loss through our systematic risk controls. We apply quantitative based analysis on data furnished by widely accepted and used industry sources and data providers.

There are inherent risks involved for each investment strategy or method of analysis we use and the particular type of security we recommend. Investing in securities involves risk of loss, for which Clients should be prepared to bear.

## Item 9 – Disciplinary Information

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**There are no legal, regulatory or disciplinary events to disclose.**

RPg and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider in which you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter 155870 in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions.

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Risk Paradigm Group, LLC

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

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Neither RPg nor its employees are registered (except as stated below), or have an application pending to register as a broker-dealer, futures commission merchant, commodity trading advisor (CTA) or an associated person (or registered representative) of the foregoing entities.

In addition, neither RPg nor its employees have any arrangement that is material to its advisory business or to our clients with an affiliated person that is a:

- Broker-dealer,
- Investment Company,
- Futures commission merchant (or commodity pool operator or commodity trading advisor),
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Insurance company or agency,
- Pension consultant, or
- Real estate broker or dealer.

RPg is a wholly-owned subsidiary of Risk Paradigm Group Holdings, LLC, a Delaware limited liability holding company. Risk Paradigm Group Holdings, LLC is a privately held partnership consisting of eight partners and two passive, non-managing investors. Risk Paradigm Group Holdings, LLC is also the parent to RPg Family Wealth Advisory, LLC, an affiliated registered investment advisor that provides comprehensive investment advisory and wealth management services. Certain Advisory Persons of RPg are also Managing Members and/or Advisory Persons of RPg Family Wealth Advisory, LLC.

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

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### **A. Code of Ethics**

RPg has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with RPg. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. RPg and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of RPg associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. RPg has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (866) 726-5150 or via email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

### **B. Personal Trading with Material Interest**

RPg allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. RPg does not act as principal in any transactions. While trading in similar securities may pose a potential for a conflict of interest, neither RPg nor any of its advisory persons will transact in any account to the detriment of any Client.

### **C. Personal Trading in Same Securities as Clients**

RPg allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

#### **D. Personal Trading at Same Time as Client**

While RPg allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, these trades do not occur at the same time. RPg will place trades only after Client orders have been placed and filled. At no time, will RPg or any associated person of RPg, transact in any security to the detriment of any Client.

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

RPg does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize RPg to direct trades to this custodian as agreed in the investment management agreement. Further, RPg does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where RPg does not exercise discretion over the selection of the custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by RPg. RPg may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices. RPg does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. On a limited basis, RPg obtains third-party research products and services that are paid for by allocating a portion of RPg's trading activity to a broker-dealer that provides soft dollar payments. While RPg uses these research products and services to benefit all Clients, certain Clients may receive the benefits of these services where their trading activity did not pay for such services.

**2. Brokerage Referrals** - RPg does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

**3. Brokerage Transactions** - RPg will direct and place all orders for the execution of transactions through a qualified independent broker or dealer (herein "Broker") in coordination with the designated Custodian, under the Client's independent, exclusive agreement with their Custodian. RPg will arrange for the execution of securities transactions for the Client through a Broker that RPg reasonably believes will provide best execution. In selecting a Broker, RPg may consider, among other things, the Broker's execution capabilities, reputation and access to the markets for the securities being traded. The Client shall be responsible for such brokerage expense as billed directly by Custodian as well as the Broker. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]).

#### **B. Aggregating and Allocating Trades**

Based on the account ownership structure and independent agreements between the Client and Custodian, RPg may or may not aggregate security trades with other accounts managed by RPg. RPg is authorized in its discretion to aggregate purchases and sales and other transactions made for the Account with purchases and sales and other transactions in the same or similar securities or instruments of the same issuer or counterpart for other clients of RPg or with affiliates of RPg. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the Account will be deemed to have purchased or sold its proportionate share of the instruments involved at the average price so obtained.

### **Item 13 – Review of Accounts**

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RPg portfolio managers continually monitor the securities contained in each investment strategy. Client suitability for direct Clients of RPg are reviewed at least annually. Suitability for Client accounts established through financial intermediaries are the responsibilities of the respective financial intermediary.

Each Client receives a written statement from their respective custodian(s) at least quarterly that includes an accounting of all holdings and transactions in the account for the reporting period. RPg may provide additional information to Clients upon request.

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

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In the event that an outside individual Financial Advisor or Registered Investment Advisor refers a Client to RPg for the purposes of designing and managing a customized solution, we would be prepared to negotiate a revenue-sharing advisor arrangement that would be paid out of our management fees, provided no conflict of interest arose as a result of that arrangement. For RPg strategies in Separately Managed Accounts, an outside advisor may charge a layered fee to the Client, but that fee would be independent of our management fees and would be negotiated directly between that IAR/RIA and Client. For RPg Mutual Funds, all fees and commissions would be outlined in a prospectus and administered by a third party administrator in accordance with SEC regulations determined by share classes in the mutual fund.

In connection with the placement of Client funds into investment companies, compensation may take the form of front-end sales charges, redemption fees and 12(b)-1 fees or a combination thereof. The prospectus for the investment company will give explicit detail as to the method and form of compensation.

If an unaffiliated solicitor (herein a "Solicitor") introduces a Client to RPg, we may pay that Solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

If an unaffiliated Solicitor introduces a Client to RPg, that Solicitor will disclose the nature of the Solicitor relationship with RPg at the time of the solicitation. In addition, the solicitor will provide each prospective client with a copy of this Disclosure Brochure, and a copy of the written disclosure statement from the Solicitor to the Client disclosing the terms and conditions of the arrangement between RPg and the Solicitor, including the compensation the Solicitor will receive from RPg.

#### **Item 15 – Custody**

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RPg does not accept or maintain custody of any Client accounts. All Clients must place their assets with a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct RPg to utilize that custodian for the Client's security transactions. RPg encourages Clients to review statements provided by their account custodian.

##### Registered and Unregistered Funds

For registered and unregistered funds, RPg is deemed to have custody of these funds as RPg has the authority to pay expenses, including RPg's management fee, on behalf of the funds. Independent audits of each fund is conducted annually.

For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

#### **Item 16 – Investment Discretion**

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RPg generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by RPg. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment management agreement containing all applicable



limitations to such authority. All discretionary trades made by RPg will be in accordance with each product's investment objectives and goals.

We manage Client portfolios on a discretionary basis based on the RPg strategies described herein. We will experience limitations placed on us by the specific investment policies and mandates as defined in the documentation of each specific strategy even though we do not have limitations placed on us regarding security selection, amount, instrument used, which broker dealer and/or custodian chosen to manage the investment strategies.

### **Item 17 – Voting Client Securities**

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RPg will vote proxies on behalf of and in the best interest of its Clients, consistent with our investment process and philosophy. We generally do not vote proxies differently on a Client-by-Client basis. We will vote proxies for the Advisor and its advisory persons, consistent with the voting for each Client. RPg will maintain a proxy policy and provide to Clients upon request.

### **Item 18 – Financial Information**

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Neither RPg, nor its management has any adverse financial situations that would reasonably impair the ability of RPg to meet all obligations to its Clients. Neither RPg, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. RPg is not required to deliver a balance sheet along with this Disclosure Brochure as the firm does not collect advance fees for services to be performed six months or more in advance.



## Form ADV Part 2B – Individual Disclosure Brochure

for

**David M. Gatti**  
**Chief Executive Officer**  
**Chief Investment Officer**

**Effective: April 25, 2014**

This Brochure Supplement provides information about the background and qualifications of David M. Gatti (CRD# **2415422**) in addition to the information contained in the Risk Paradigm Group, LLC (“RPg” or the “Advisor” CRD #155870) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you have any questions about the contents of this Brochure Supplement or RPg’s Disclosure Brochure, please contact us at (781) 547-8660.

Additional information about David M. Gatti is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Risk Paradigm Group, LLC**  
**CRD No: 155870**

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Phone: (866) 726-5150 | [www.rpgassetmanagement.com](http://www.rpgassetmanagement.com)

## **Item 2 – Educational Background and Business Experience**

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The Chief Executive Officer and Chief Investment Officer of Risk Paradigm Group, LLC is David M. Gatti. Mr. Gatti, born in 1969 is dedicated to serving the Clients of RPg. Mr. Gatti earned a B.S. in Business Administration from University of Massachusetts at Lowell in 1992.

Additional information regarding Mr. Gatti's employment history is included below.

### **Employment History:**

Chief Executive Officer and Partner, Risk Paradigm Group Holdings, LLC (parent to RPg Family Wealth Advisory, LLC and Risk Paradigm Group, LLC)	09/2011 to Present
Chief Executive Officer and Chief Investment Officer and Partner RPg Family Wealth Advisory, LLC	09/2011 to Present
Chief Executive Officer and Chief Investment Officer and Partner Risk Paradigm Group, LLC	09/2011 to Present
Registered Representative, Race Rock Capital LLC	09/2013 to Present
Senior Investment Management Specialist, Morgan Stanley Smith Barney	01/1996 to 09/2011
Registered Representative, Citigroup Global Markets Inc.	06/1994 to 01/1996

## **Item 3 – Disciplinary Information**

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Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and /or dishonest, unfair or unethical practices.

Mr. Gatti's U4 includes complaints that were lodged against Morgan Stanley Smith Barney or predecessor entities (collectively "MSSB"). MSSB, without Mr. Gatti's involvement, settled the matters without formal arbitration hearings or affording Mr. Gatti the opportunity to be involved in the process. As these matters were lodged against MSSB and not Mr. Gatti, there have been no findings of responsibility or wrongdoing against Mr. Gatti. All settlement proceeds were paid by MSSB with no monetary contribution from Mr. Gatti.

We do encourage you to independently view the background of Mr. Gatti on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select "Investment Adviser Search" from the left navigation menu. Then select the option for "Individual" and enter **2415422** in the field labeled "Individual Name or CRD#".

## **Item 4 – Other Business Activities**

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### **Broker-Dealer Affiliation**

Mr. Gatti is also a registered representative of Race Rock Capital LLC ("Race Rock"). Race Rock is a registered broker-dealer (CRD No. 153363), member FINRA, SIPC. In his separate capacity as a registered representative, Mr. Gatti will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Gatti. Neither the Advisor nor Mr. Gatti will earn investment advisory fees in connection with any services implemented in Mr. Gatti's separate capacity as a registered representative where commissions are earned.

### **Insurance Agency Affiliations**

Mr. Gatti is also a licensed insurance professional. This business activity is done separate and apart from his role with RPg. As an insurance agent, Mr. Gatti may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Commissions generated by insurance sales do not offset financial planning fees paid to RPg.

This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Gatti or the Advisor. Mr. Gatti spends less than 10% of his business time on this activity.

## **Item 5 – Additional Compensation**

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### **Broker-Dealer Affiliation**

Mr. Gatti is also a registered representative of Race Rock. In his separate capacity as a registered representative, Mr. Gatti will typically receive commissions for the implementation of recommendations for commissionable transactions.

### **Insurance Agency Affiliations**

Mr. Gatti may serve as sales agent for various insurance companies. As an insurance agent, Mr. Gatti may receive customary commissions and other related revenues from the various insurance companies whose products are sold.

## **Item 6 – Supervision**

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Mr. Gatti serves as a Principal of RPg and is supervised by Christopher S. Jensen, the Interim Chief Compliance Officer. Mr. Jensen can be reached at (781) 547-8660.

RPg has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of RPg. Further, RPg is subject to regulatory oversight by various agencies. These agencies require registration by RPg and its employees. As a registered entity, RPg is subject to examinations by regulators, which may be announced or unannounced. RPg is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



## Form ADV Part 2B – Individual Disclosure Brochure

for

**Jason McGinty**  
**Senior Portfolio Manager, Partner**

**Effective: April 25, 2014**

This Brochure Supplement provides information about the background and qualifications of Jason A. McGinty (CRD# **4499263**) in addition to the information contained in the Risk Paradigm Group, LLC ("RPg" or the "Advisor" CRD #155870) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you any questions about the contents of this Brochure Supplement or RPg's Disclosure Brochure, please contact us at (781) 547-8660.

Additional information about Jason McGinty is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Risk Paradigm Group, LLC**  
**CRD No: 155870**

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## Item 2 – Educational Background and Business Experience

Mr. Jason McGinty is the Senior Portfolio Manager, Partner of Risk Paradigm Group, LLC. His current responsibilities for RPg include research, analysis, and performing extensive due diligence—both on prospective capital with low correlation to the stock market. These include Oil & Gas, Alternative Energy Sources, Real Estate, Venture Capital Lending Programs, and Lease Equity Programs. Mr. McGinty, born in 1978, is dedicated to serving the Clients of RPg. Mr. McGinty earned a Degree in Finance from Texas State University's McCoy School of Business in 2001 as a member of the Honors Program. Additional information regarding Mr. McGinty's employment history is included below.

### Employment History:

Senior Portfolio Manager, Partner, Risk Paradigm Group, LLC	05/2011 to Present
Partner, Risk Paradigm Group Holdings, LLC	05/2011 to Present
Financial Advisor, RAM Financial Group	01/2002 to 05/2011

## Item 3 – Disciplinary Information

*There are no legal, civil or disciplinary events to disclose regarding Mr. McGinty.* Mr. McGinty has never been involved in any regulatory, civil or criminal action. There have been no Client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. McGinty.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and /or dishonest, unfair or unethical practices. *As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. McGinty.*

However, we do encourage you to independently view the background of Mr. McGinty on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter **4499263** in the field labeled "Individual CRD Number".

## Item 4 – Other Business Activities

Mr. McGinty is a dedicated to the portfolio management activities of RPg's Clients. Mr. McGinty does not have any other business activities.

## Item 5 – Additional Compensation

Mr. McGinty is a dedicated to the portfolio management activities of RPg's Clients. Mr. McGinty does not receive any additional forms of compensation.

## Item 6 – Supervision

Mr. McGinty serves as the Senior Portfolio Manager, Partner of RPg and is supervised by Christopher Jensen, the Chief Compliance Officer. Christopher Jensen can be reached at (781) 547-8656.

RPg has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of RPg. Further, RPg is subject to regulatory oversight by various agencies. These agencies require registration by RPg and its employees. As a registered entity, RPg is subject to examinations by regulators, which may be announced or unannounced. RPg is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



## **Form ADV Part 2B – Individual Disclosure Brochure**

**for**

**Christopher S. Jensen**  
**Managing Partner and Interim Chief Compliance Officer**

**Effective: April 25, 2014**

This Brochure Supplement provides information about the background and qualifications of Christopher S. Jensen (CRD# 5870541) in addition to the information contained in the RPg Family Wealth Advisory, LLC ("RPg" or the "Advisor" CRD #158528) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you have any questions about the contents of this Brochure Supplement or RPg's Disclosure Brochure, please contact us at (781) 547-8660.

Additional information about Christopher S. Jensen is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**RPg Family Wealth Advisory, LLC**  
**CRD No: 158528**

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<b>25 Burlington Mall Road, Suite 307 Burlington, MA 01803 Phone: (781) 547-8660 Fax: (781) 273-0333</b>	<b>5900 Southwest Parkway, Building 5, Suite 500 Austin, TX 78735 Phone: (512) 327-6000 Fax: (512) 327-6044</b>

## Item 2 – Educational Background and Business Experience

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Christopher S. Jensen serves as a Managing Partner and Interim Chief Compliance Officer of Risk Paradigm Group, LLC. Mr. Jensen earned a B.A. in Communications from University of New Hampshire in 1994. Additional information regarding Mr. Jensen's employment history is included below.

### Employment History:

Managing Partner, Risk Paradigm Group Holdings, LLC (parent to RPg Family Wealth Advisory, LLC and Risk Paradigm Group, LLC)	09/2011 to Present
Interim Chief Compliance Officer, Risk Paradigm Group, LLC	12/2013 to Present
Interim Chief Compliance Officer, RPg Family Wealth Advisory, LLC	12/2013 to Present
Chief Operating Officer, Risk Paradigm Group Holdings, LLC (parent to RPg Family Wealth Advisory, LLC and Risk Paradigm Group, LLC)	09/2011 to 12/2012
COO and CCO, Risk Paradigm Group, LLC	10/2010 to 12/2013
COO and CCO, RPg Family Wealth Advisory, LLC	09/2011 to 12/2013
Founding Partner, Iknetics Capital Partners, LLC	06/2008 to Present

## Item 3 – Disciplinary Information

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*There are no legal, civil or disciplinary events to disclose regarding Mr. Jensen.* Mr. Jensen has never been involved in any regulatory, civil or criminal action. There have been no Client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Jensen.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and /or dishonest, unfair or unethical practices. *As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Jensen.*

However, we do encourage you to independently view the background of Mr. Jensen on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter 5870541 in the field labeled "Individual CRD Number".

## Item 4 – Other Business Activities

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Mr. Jensen is a dedicated to the investment advisory activities of RPg's Clients. Mr. Jensen does not have any other business activities aside from the related RPg business entities.

## Item 5 – Additional Compensation

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Mr. Jensen is a dedicated to the investment advisory activities of RPg's Clients. Mr. Jensen does not receive any additional forms of compensation.

## Item 6 – Supervision

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Mr. Jensen serves as the Interim Chief Compliance Officer of RPg. Mr. Jensen can be reached at (781) 547-8656.

RPg has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of RPg. Further, RPg is subject to regulatory oversight by various agencies. These agencies require registration by RPg and its employees. As a registered entity, RPg is subject to examinations by regulators, which may be announced or unannounced. RPg is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



## Form ADV Part 2B – Individual Disclosure Brochure

for

**Elizabeth A. Sadwick**  
**Director of Business Development**

**Effective: April 25, 2014**

This Brochure Supplement provides information about the background and qualifications of Elizabeth A. Sadwick (CRD# **2365023**) in addition to the information contained in the Risk Paradigm Group, LLC (“RPg” or the “Advisor” CRD #155870) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you any questions about the contents of this Brochure Supplement or RPg’s Disclosure Brochure, please contact us at (781) 547-8660.

Additional information about Elizabeth A. Sadwick is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Risk Paradigm Group, LLC**  
**CRD No: 155870**

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## Item 2 – Educational Background and Business Experience

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Elizabeth A. Sadwick is the Director of Business Development of Risk Paradigm Group, LLC. Ms. Sadwick, born in 1966, is dedicated to serving the Clients of Risk Paradigm Group, LLC. Ms. Sadwick earned an Associates Degree in Business Administration from Bristol Community College in 1990. Additional information regarding Ms. Sadwick's employment history is included below.

### Employment History:

Director of Business Development, Risk Paradigm Group, LLC	04/2012 to Present
Registered Representative, Race Rock LLC	11/2013 to Present
Managing Director, Turn It Up To 11!	09/2011 to 04/2012
Senior Vice President, Access Distribution Partners	09/2010 to 06/2011
Senior Vice President, Congress Asset Management	12/2000 to 09/2009
Vice President, Congress Asset Management	09/1998 to 12/2000
Product Manager, Cadaret, Grant & Company, Inc.	06/1996 to 07/1998
Marketing Associate, Cadaret, Grant & Company, Inc.	05/1994 to 06/1996
Trading Assistant, Cadaret, Grant & Company, Inc.	05/1993 to 05/1994

## Item 3 – Disciplinary Information

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*There are no legal, civil or disciplinary events to disclose regarding Ms. Sadwick.* Ms. Sadwick has never been involved in any regulatory, civil or criminal action. There have been no Client complaints, lawsuits, arbitration claims or administrative proceedings against Ms. Sadwick.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. *As previously noted, there are no legal, civil or disciplinary events to disclose regarding Ms. Sadwick.* However, we do encourage you to independently view the background of Ms. Sadwick on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter **2365023** in the field labeled "Individual CRD Number".

## Item 4 – Other Business Activities

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### Broker-Dealer Affiliation

Ms. Sadwick is also a registered representative of Race Rock Capital LLC ("Race Rock"). Race Rock is a registered broker-dealer (CRD No. 153363), member FINRA, SIPC. In her separate capacity as a registered representative, Ms. Sadwick will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Ms. Sadwick. Neither the Advisor nor Ms. Sadwick will earn investment advisory fees in connection with any services implemented in Ms. Sadwick's separate capacity as a registered representative where commissions are earned.

## Item 5 – Additional Compensation

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### Broker-Dealer Affiliation

Ms. Sadwick is also a registered representative of Race Rock. In her separate capacity as a registered representative, Ms. Sadwick will typically receive commissions for the implementation of recommendations for commissionable transactions.

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Risk Paradigm Group, LLC

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## **Item 6 – Supervision**

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Ms. Sadwick serves as the Director of Business Development of RPg and is supervised by Christopher S. Jensen, the Interim Chief Compliance Officer. Christopher S. Jensen can be reached at (781) 547-8656.

RPg has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of RPg. Further, RPg is subject to regulatory oversight by various agencies. These agencies require registration by RPg and its employees. As a registered entity, RPg is subject to examinations by regulators, which may be announced or unannounced. RPg is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.