

**Item 1 – Cover Page**

***Cedargold Consulting Inc.***

***Wrap Fee Program Brochure***

***ADV Part 2A Appendix 1***

***Updated: December 28, 2017***

**131 Bloor Street West, Suite 200, Toronto Canada M5S1R8, (416) 786-5507**

This wrap fee program brochure provides information about the qualifications and business practices of Cedargold Consulting Inc. (“CCI”). If you have any questions about the contents of this brochure, please contact Richard Bonugli, Director, at 416.786.5507. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

CCI is an investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser are intended to provide you with information to assist in your determination as to whether or not to retain the services of that investment adviser.

Additional information about Cedargold Consulting Inc. (CRD Number 286326) also is available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

ADV Part 2A Appendix 1

## **Item 2 – Material Changes**

Cedargold Consulting Inc. has made the following material change to its brochure since its last amendment, dated August 2, 2017:

- There were no material changes made to this brochure.

Currently, our brochure may be requested by contacting our service team by phone at (416) 786-5507 or by e-mail at [info@cedargoldconsulting.com](mailto:info@cedargoldconsulting.com). We will provide you with a copy of our current brochure at any time without charge.

Additional information about us is also available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Cedargold Consulting Inc., CRD Number 286326

## **Item 3 – Table of Contents**

<b>Item 1 – Cover Page .....</b>	<b>1</b>
<b>Item 2 – Material Changes .....</b>	<b>2</b>
<b>Item 3 – Table of Contents .....</b>	<b>3</b>
<b>Item 4 - Services, Fees and Compensation .....</b>	<b>4</b>
The Wrap Fee Program Services .....	4
Wrap Fee Program Fees .....	4
Assets Under Management .....	6
<b>Item 5 - Account Requirements and Types of Clients .....</b>	<b>6</b>
<b>Item 6 – Portfolio Manager Selection and Evaluation .....</b>	<b>7</b>
Wrap Fee Program .....	8
<b>Item 7 – Client Information Provided to Portfolio Managers .....</b>	<b>8</b>
<b>Item 8 - Client Contact with Portfolio Managers .....</b>	<b>8</b>
<b>Item 9 - Additional Information .....</b>	<b>9</b>
Disciplinary Information .....	9
Code of Ethics; Participation or Interest in Client Transactions and Personal Trading .....	9
Other Financial Industry Activities and Affiliations .....	9
Recommendation of Other Advisers .....	10
Account Reviews .....	10
Third Party Manager/Subadvisor Compensation .....	10
Client Referrals and Other Compensation .....	10
Financial Information .....	11

## **Item 4 - Services, Fees and Compensation**

Cedargold Consulting Inc. ("CCI", we, us, our, ours), located in Toronto, Canada, is a corporation organized under the laws of the Province of Ontario Canada. Richard Bonugli founded CCI in 2010. CCI is registered as an investment adviser with the Securities and Exchange Commission ("SEC").

We offer investment advisory services under the CCI name. We offer media and lead generation services under the business name of Financial Repression Authority (FRA), a business unit of CCI.

CCI manages the investment assets of its clients as well as recommends or selects independent third-party investment managers to manage all or a portion of client investment assets. CCI works with you to identify your investment goals, objectives, and risk tolerances in order to structure an investment account and an investment strategy that is consistent with your stated investment objectives.

We also provide investment consulting services and a research report service which may include financial planning or may address specific needs you identify.

### **The Wrap Fee Program Services**

The Wrap Fee Program ("Program") offers individualized portfolio management, asset allocation, portfolio monitoring, and consolidated reporting. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for one all-inclusive fee. If you participate in our wrap fee program, you will pay us a single fee, which may include commissions, money management fees, certain transaction costs, and custodial and administrative costs. You are not charged separate fees for the respective components of the total service.

We may refer, recommend or use third-party wrap fee programs.

### **Wrap Fee Program Fees**

We offer our portfolio management services on a fee basis. All fees are negotiable at our sole discretion.

Generally any account above \$500,000 would see a 1% (of the net market value of assets) fee and anything under would be 1.25% (of the net market value of assets). We also offer an option to qualified investors based on a lower fixed base fee plus a fee based on performance; for example 0.5% of the net market value of assets plus 20% of positive gains.

We require that you authorize us in writing to direct your custodian to pay our investment advisory fees directly to us by charging your account. This authorization is set forth in the investment advisory agreement requiring execution to retain our services.

Our fees may be higher or lower than the fees charged by other advisors for similar services.

Our fee is calculated based upon the net market value of the investment assets in your account. One-fourth of our fee is billed each calendar quarter based on the value of your account on the last day of that quarter.

Broker-dealers and other financial institutions that hold investment accounts for advisory clients are referred to as custodians. Your custodian will determine the values of the assets in your account.

## Cedargold Consulting Inc.

---

Your custodian will provide you with statements that show the amount of the advisory fees paid directly to us. Your custodian does not verify the accuracy of our fee calculations so please review your statements carefully.

We charge our investment management fees in advance, meaning that we charge our fees before we have provided our services to you. Our initial fee will be calculated on the day your investment assets are received by your custodian. The amount of the fee will be calculated based on the number of days remaining in that quarter.

Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us.

The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

In addition to our fee, you may be required to pay other charges such as:

- custodial fees;
- brokerage commissions;
- transaction fees;
- internal fees and expenses charged by mutual funds, ETFs and variable annuities; fees charged by third party money managers; maintenance and termination fees for IRAs, certain retirement and qualified accounts; and,
- other fees and taxes on brokerage accounts and securities transactions.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

Fees paid to us are also separate and distinct from fees and expenses charged by mutual funds, ETFs, and variable annuity issuers charge internal fees and expenses for their products. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You should read these documents and review all fees charged by funds, issuers and us to fully understand the total amount of fees that you may incur before making or authorizing any investments. We will be available to answer any questions you have about fees and expenses.

You can open a either a traditional brokerage account (Non-WRAP), or WRAP Program account. In a Non-WRAP in addition to our investment advisory fee, you also pay certain transaction charges to defray the costs associated with trade execution. These costs are set out in the account custodian’s platform brokerage account and application agreement. In a WRAP Program account you do not pay transaction charges associated with trade execution.

You may incur certain charges imposed by third parties other than us in connection with investments made through the account including, but not limited to, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees. Our management fees for account managed in our WRAP Program include all transaction and execution fees charged by the account custodian are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security’s prospectus.

A WRAP Program account may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a brokerage account rather than a WRAP Program account.

We do not always charge a lower advisory fee for managing traditional brokerage accounts versus WRAP Program accounts. The cost for a WRAP Program account is typically higher than a traditional brokerage managed account. This is because transaction costs are passed along to you in traditional account relationship while the transaction costs are covered under the overall fee charged for WRAP Program accounts.

When making the determination of whether one of the advisory programs available through us is appropriate for your needs, you should bear in mind that fee-based accounts, when compared with commission-based accounts, often result in lower costs during periods when trading activity is heavier, such as the year an account is established. However, during periods when trading activity is lower, the fee-based account arrangements may result in a higher annual cost for transactions. Thus, depending on a number of factors, the total cost for transactions under a fee account versus a commission account can vary significantly. Factors which affect the total cost include account size, amount of turnover, type and quantities of securities purchased or sold, commission rates and your tax situation. It should also be noted that lower fees for comparable service may be available from other sources. You should discuss the advantages and disadvantages of fee-based and commission-based accounts with your adviser representative.

Either party may terminate the agreement for services at any time. If services are terminated within five business days of executing the agreement, services are terminated without penalty and a full refund of all fees paid in advance is provided. If services are terminated after the initial five day period, we provide you with a prorated refund of fees paid in advance. The refund is based on the number of days service is actually provided during the final billing period. Termination is effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There is no penalty charge on termination.

### **Assets Under Management**

As of December 22, 2016 we managed approximately \$ 0 in client assets on a discretionary basis (meaning we made all of the investment decisions). Approximately \$ 0 in client assets were managed on a non-discretionary basis (meaning our clients made the investment decisions based upon our recommendations).

## **Item 5 - Account Requirements and Types of Clients**

We provide advisory services primarily to individuals and families, including their trusts, estates, and retirement accounts. We also provide services to corporations or other entities.

As a condition for starting and maintaining an advisory relationship with us, we generally require that you have a minimum investment account of \$250,000. We, at our sole discretion, may allow you to engage

our services if you have a smaller account. Some of the factors we consider in making this determination include pre- existing client relationships we may have with you or your family members, any additional assets you are anticipated to receive in the future, your account composition, and your anticipated future earning capacity.

At our discretion, we may consider the account of your family members in determining whether your account meets our minimum account size requirement.

### **Item 6 – Portfolio Manager Selection and Evaluation**

We act as the portfolio manager for accounts receiving our asset management services. Our WRAP Fee accounts are considered a WRAP fee program. For this service, we do not allow the use of portfolio managers that are not associated with our firm in some capacity. In other words, the only portfolio managers selected for managing client assets for our Managed Asset Program are associated with Cedargold Consulting. Therefore, conflicts of interest present in other WRAP fee programs that make available both affiliated and unaffiliated portfolio managers are not present in our WRAP fee program. Because our WRAP fee program does not provide for outside portfolio managers, we do not have procedures designed to select outside portfolio managers.

We rely on third party performance calculations. These third party services utilize standard performance calculation methods. We as a firm cannot confirm or deny the accuracy of these performance measures but rely on them based on their national reputation and standard methods of calculation. We believe them to be fair and accurate representations but do not verify or confirm their accuracy.

The investment accounts managed by us may consist of stocks, bonds, mutual funds, exchange-traded funds ("ETF"), options, and alternative investments such as, but not limited to, limited partnerships and real estate investment trusts.

Your investment accounts and the investment strategies utilized are based upon your specific individual investment objectives, goals and risk tolerances. We may periodically adjust your account (a process referred to as "rebalancing") to help ensure that your investment account remains consistent with your objectives, goals, and risk tolerances.

We rely upon you to notify them of any changes in your objectives, goals and risk tolerances, as well as any other material changes in your personal circumstances (such as your employment, marital status, financial condition, etc.). These changes may require changes in your investment account and the investment strategies employed.

We may manage your investment account on either a discretionary basis (meaning that you authorize us to make specific investment decisions on your behalf) or non-discretionary basis (meaning that we must obtain your specific prior approval before each transaction can be effected for your investment account).

Whether we are authorized to exercise discretion with respect to your investment account is your choice. When you establish an advisory relationship with us, we will ask that you advise us in writing how you would like us to handle your account.

The scope of the discretionary authority that you may grant to us is limited to selecting specific investments for your account and deciding how to allocate your assets among those investments. We

may decide if and when to buy, hold, or sell those investments. Once you have granted discretionary authority to us, it is effective until you change it or revoke it in writing.

You may impose any reasonable restrictions upon the manner in which we manage your investment account. For example, you may restrict the management of your account to certain types of investment products or investment strategies.

### **Wrap Fee Program**

We offer a wrap fee program through which we provide portfolio management services as outlined above, for one fee. The wrap fee includes all commissions and our advisory fee, custodial and brokerage fees. This program is more fully described in our Wrap Fee Program Brochure.

A wrap fee program may cost you more or less than purchasing these services separately, depending on the amount of trading activity in your account, the value of services that are provided to you under this program, and other factors. Therefore, we may have a financial incentive to recommend the wrap fee program over other programs or services. Generally, wrap programs may result in higher overall costs to you in accounts that experience little trading activity. Please review the costs carefully to determine whether our wrap fee program is appropriate for your circumstances.

## **Item 7 – Client Information Provided to Portfolio Managers**

We obtain information about you through:

- Paperwork you provide, such as the Confidential Investor Profile, and product applications
- Interviews and conversations with you and
- Product or service vendors related to your account(s)

This information is updated when you communicate new information about your financial circumstances, objectives, or goals to us.

We value you as a client and recognize the importance of protecting the personal information you provide. We protect your information in accordance with our Privacy Statement which has been provided to you.

## **Item 8 - Client Contact with Portfolio Managers**

You have ready access to us, although we may not be available for unscheduled or unannounced visits or calls.

We are expected to periodically meet with you and generally be available to take your call on advisory-related matters. You are encouraged to contact us with respect to any changes in your financial information that may affect the management of your account.



## **Item 9 - Additional Information**

### **Disciplinary Information**

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

### **Code of Ethics; Participation or Interest in Client Transactions and Personal Trading**

We have adopted a Code of Ethics ("Code") to address the standard of business conduct required of us and our employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all our personal securities transactions and our employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of our position of trust and responsibility;
- that we may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We may buy or sell the same securities for their personal and family accounts that are bought or sold for your account.

Our personal securities transactions and our employees may raise potential conflicts of interest when they trade in a security that is owned by you or is being considered for purchase or sale for your account. We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require us to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any trade in an account that is effected in a manner inconsistent with our Code.

We must follow our procedures when purchasing or selling the same securities purchased or sold for your account.

### **Other Financial Industry Activities and Affiliations**

A business unit of CCI known as the Financial Repression Authority (FRA) provides media and lead generation services, including but not limited to blog posts, research reports, and videos and podcasts of industry managers and economists.

You are under no obligation to utilize services of FRA; however any services you may utilize through us in conjunction with those activities may result in compensation additional to any advisory fees that we charge.

# Cedargold Consulting Inc.

---

These arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation we can receive rather than based upon your needs.

Additional information about us and FRA is also available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Recommendation of Other Advisers

We may recommend that you use an unaffiliated third-party asset manager ("TPAM") based upon your needs and suitability. We share in the compensation paid to the third-party asset manager for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the TPAM. Compensation paid to us by third party asset managers may vary, and therefore there may be a conflict of interest in recommending one third party asset manager over another. The fees you pay are the same as you would pay had you obtained the services directly from the TPAM. The discretionary authority you may grant to us will include the discretion to hire and fire the third-party asset managers.

## Account Reviews

We review your account on an on-going basis to determine whether your investments and investment strategies are performing in a manner consistent with your stated objectives. We will contact you at least annually (or more often as agreed upon with you) to review your account with you and to update your financial status, goals, objectives, and risk tolerances. These reviews also consider any investment restrictions you have requested and how your investments meet your investment time horizons, liquidity needs, tax considerations and other circumstances unique to you. Changes in your investments and your investment strategies will be made or recommended by us as they are deemed appropriate.

As previously noted, we strongly encourage you to advise us of any changes in your personal circumstances, your investment goals or objectives, and your risk tolerances to ensure that your investments and investment strategies are most appropriate for you.

## Third Party Manager/Subadvisor Compensation

We will regularly review the reports provided to you by any third-party investment managers that are managing assets for you. We will contact you at least annually (or more often as agreed upon with you) to review your financial situation, investment goals and objectives and risk tolerances, and the performance of the third-party investment manager to help monitor that your account is being managed in a manner consistent with your objectives.

## Client Referrals and Other Compensation

We may enter into written agreements with certain unaffiliated investment advisers and other professionals (such as CPAs, attorneys, etc.) to compensate them for referring clients to us. We will pay these individuals (referred to as "solicitors") a percentage of the advisory fee that you pay us if it is determined that you have become a client of ours as a result of their direct or indirect efforts.

The payments we make to a solicitor will not result in an increase in the amount of the advisory fee that the referred client will pay.

Our solicitation or referral arrangements will comply with applicable laws that govern:

- the nature of the services provided;
- the fees to be paid;

- disclosure of solicitor arrangements to clients; and client consents, as required.

We receive certain economic benefits as a result of our participation in custodians' programs. The availability of the custodians' products and services is based solely on our participation in their programs, and not on the provision of any particular investment advice.

We receive compensation by referring you to third party asset managers. This creates a conflict of interest because we have an incentive to recommend those third-party asset managers based on the compensation we receive rather than what's in your best interest. We address this conflict by disclosing it to you. Additionally, as fiduciaries we place your interests above our own in determining whether a referral to a third-party asset manager is appropriate for you. You are under no obligation to use the services of a third-party asset manager we recommend.

We may also receive compensation by referring you to third party services or products through the lead generations services of our business unit Financial Repression Authority. This creates a conflict of interest because we have an incentive to recommend those services or products based on the compensation we receive rather than what's in your best interest. We address this conflict by disclosing it to you. Additionally, as fiduciaries we place your interests above our own in determining whether a referral to a service or product is appropriate for you. You are under no obligation to use the service or product we recommend.

### Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you. We have not been the subject of any bankruptcy proceedings.