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Item 1: Form ADV Part 2A

Firm Brochure – Destination PortfolioSM

June 19, 2017

This brochure provides information about the qualifications and business practices of Newport Group Securities, Inc. ("NGS" or the "Firm"), as a Registered Investment Adviser ("RIA"). If you have any questions about the contents of this brochure, please contact us at 407-333-2905 and/or email us at NGcompliance@newportgroup.com.

The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about NGS is also available on the SEC's website at www.adviserinfo.sec.gov. Registration as a Registered Investment Adviser does not imply a certain level of skill or training

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Item 2: Material Changes

The following summary discusses material changes to the Newport Group Securities Form ADV, Part 2A Destination Portfolio Brochure (the “Brochure”), dated June 19, 2017. Consistent with the SEC rules we will provide you with a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year, which is December 31st.

Summary of Material Changes:

Effective June 19, 2017, the Firm has updated its address for the main location.

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Item 4: Advisory Business

Background

- A. Newport Group Securities, Inc. (“NGS”) is registered with the SEC as a Registered Investment Adviser (“RIA”) and broker–dealer, and is a member firm of FINRA. NGS, established on December 20, 1991¹, provides institutional investment and fiduciary consulting services primarily to retirement plans and their sponsors. Many of these plans provide for participant–directed investments.

Some individuals may represent NGS in one or more capacities. Individuals who provide fee–for–service investment consulting and fiduciary consulting services are qualified as IARs. Individuals who sell securities are registered with FINRA as Registered Representatives (“RR”).

NGS is a wholly owned subsidiary of Newport Group Holdings I, Inc. which is controlled by and 100% owned by Newport Group Holdings, L.P. Newport Group Holdings L.P. is indirectly controlled by Trident V L.P. and Trident V Parallel Fund, L.P. Stone Point Capital, LLC manages private equity funds (including Trident V L.P. and Trident V Parallel Fund, L.P.) that invest in companies operating in the financial services industry.

NGS’s management believes that none of the indirect relationships that the Firm may have with any such companies through its indirect relationship with Stone Point Capital, LLC are material to the business of the Firm and do not cause a conflict of interest with the Firm’s activities on behalf of its clients.

- B. In its capacity as an RIA, NGS offers the following types of services:
1. Investment consulting services;
 2. Discretionary investment management services;
 3. Fiduciary consulting services;
 4. Managed accounts for individual retirement plan participants through Destination PortfolioSM; and
 5. If desired, manage risk-based asset allocation model portfolios comprised of the underlying funds in the investment menu.

Investment Review

Destination PortfolioSM Investment Committee completes an analysis of current investments, including an evaluation of the asset classes and investment styles included in the Destination PortfolioSM program (identifying potential gaps and overlap) and the asset allocation strategy and/or tools utilized.

¹ Newport received approval as a member of FINRA on April 15, 1992 and received approval as a SEC registered investment adviser on July 20, 2001.

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Asset Allocation and Menu Construction

Asset allocation is an important investment decision, as it is the primary determinant of the return and risk characteristics of a portfolio. NGS's asset allocation process incorporates forward-looking input assumptions and attempts to utilize prudent risk control constraints. The Destination PortfolioSM program was designed so that each participant makes their investment decision based on their own personal situation, preferences and investment objectives.

To develop the Destination Portfolio'sSM Glide Path, model portfolios are constructed using the basic underlying asset components of cash, fixed income and equities. NGS developed the Glide Path strategies so that each portfolio begins with a targeted volatility, and the target decreases over time as a participant nears retirement.

Managed Accounts for Individuals through Destination PortfolioSM

NGS's Destination PortfolioSM program is available exclusively as part of a recordkeeping relationship with its affiliate, Newport Group, Inc. The Destination PortfolioSM program enables plan participants to invest in accordance with their own personal situation, time horizon based on their selected target retirement age, and personal tolerance for market risk.

The Destination PortfolioSM program investment menu spans the risk spectrum from conservative to aggressive. The program automatically makes model portfolio adjustments over time to transition to more conservative model portfolios as the participant moves toward and beyond retirement.

- C. NGS's services may be customized for each client and investment restrictions can be imposed by any client.
- D. Not applicable to NGS.
- E. As of December 31, 2016, NGS has \$42,061,324 of discretionary assets under advisement in Destination PortfolioSM.

Item 5: Fees and Compensation

A.–C. Full Disclosure Fee Transparency — NGS's compensation is exclusively fee based. For example, NGS charges a fee of .35% of your managed account balance per year within the Designation Portfolio program. This fee accrues daily and is paid to NGS quarterly. For example, if your managed account is valued at \$10,000, NGS's fee will be \$8.75 for each full calendar quarter in which you are enrolled in the Destination PortfolioSM program. The annual fee in this example is approximately \$35.00. Notably, your plan sponsor may choose to deduct the fee from your account.

Fixed Fees

NGS typically provides investment advice on a fixed fee basis. Such fees are subject to negotiation under certain circumstances based on the nature and complexity of the work to be done and at the sole discretion of NGS.

- F. A client may obtain a refund of a pre-paid fee if the consulting contract is terminated before the end of a billing period in writing to NGS. NGS will refund the pro-rata amount by check within 30 days of receipt of the notice to terminate.
- G. 1–4. The majority of the mutual funds NGS recommends are institutional share and no-load funds as NGS attempts to minimize plan expenses. For a small number of clients,

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NGS may receive revenue sharing payments from mutual fund companies or custodians when NGS is acting as RIA. In such cases, NGS applies such revenue share to its outstanding invoices and credits any remaining revenue share back to the plan. In no circumstances does NGS receive any additional net compensation through revenue sharing. This is done to mitigate against any potential conflicts of interest and to avoid the perception that NGS is receiving two sources of revenue.

Generally, when acting in the capacity of an RIA, NGS and its associated persons do not accept commissions (or markups/markdowns) in its capacity as broker–dealer.

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

NGS does not engage in Performance–Based Fee and Side–by–Side Management of accounts.

Item 7: Types of Clients

NGS generally provides investment advice to Destination PortfolioSM program participants who are participants in a retirement plan administered (recordkept) by Newport Group, Incorporated.

NGS may interact with plan sponsors, plan committee members, boards of directors, officers responsible for investments or investment management, trustees, and named or functional fiduciaries (individuals that have discretionary authority).

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

- A. NGS advises clients on asset allocation using the Modern Portfolio Theory² and a mean–variance framework³. In general, the NGS's approach is to construct portfolios that have the highest expected return for the given level of risk a client is willing to assume.
- B. Investing in securities involves risk of loss of principal. NGS's risk management methodology does not protect against loss. Clients should evaluate their ability to withstand market losses prior to investing.
- C. As an institutional consultant NGS recommends investment managers within multiple assets classes so its clients' are provided the ability to construct diversified portfolios. Certain risks are inherent to investing in money markets, stable value, fixed income, equity (including domestic and international) and alternative asset classes.

One may wish to carefully review the models and underlying funds' prospectuses prior to investing.

Based upon the funds selected, other investment risks may include the following:

Principal Equity Risks

Investing in equity securities is not guaranteed by any agency or program of the U.S. government or by any other person or entity, and **one could lose money**. An individual should

²A theory on how risk averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward.

³The selection of portfolios based on the means and variances of their returns. The choice of a higher expected return portfolio will have greater variance than a lower variance portfolio for a given expected return.

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consider its investment goals, time horizon and risk tolerance before investing. The principal risks associated with an investment could include the following:

Principal Fixed-Income Risks

- **Equity Securities and Market Risk.** The financial risk that the investment manager may select individual companies that do not perform as anticipated, the risk that the stocks and markets in which the fund invests may experience periods of turbulence and instability, and the general risk that domestic and global economies and stock markets may go through periods of decline and cyclical change.
- **Non-Diversification Risk.** Some mutual funds may be classified as a “non-diversified” portfolio which means it may hold fewer securities than a diversified fund because it may invest a greater percentage of its assets in a smaller number of securities. Holding fewer securities increases the risk that the value of a fund could go down because of the poor performance of a single investment.
- **Foreign Investment Risk.** Investments in foreign securities may be riskier than U.S. investments because of factors such as unstable international, political and economic conditions, currency fluctuations, foreign controls on investment and currency exchange, foreign governmental control of some issuers, potential confiscatory taxation or nationalization of companies by foreign governments, withholding taxes, a lack of adequate company information, less liquid and more volatile exchanges and/or markets, ineffective or detrimental government regulation, varying accounting standards, political or economic factors that may severely limit business activities, and legal systems or market practices that may permit inequitable treatment of minority and/or non-domestic investors. Investments in emerging markets may involve these and other significant risks such as less mature economic structures and less developed and more thinly-traded securities markets.
- **Currency Risk.** The performance of a fund may be materially affected positively or negatively by foreign currency strength or weakness relative to the U.S. dollar, particularly if a fund invests a significant percentage of its assets in foreign securities or other assets denominated in currencies other than the U.S. dollar.

It is possible to lose money on an investment in fixed-income securities. The principal risks of investing in fixed-income securities, which could adversely affect its net asset value, yield and total return, include the following:

- **Fixed-Income Securities and Market Trading Risk:** The risk that an active secondary trading market for a mutual fund does not continue once developed, that a fund may not continue to meet a listing exchange’s trading or listing requirements, or that a fund shares trade at prices other than the fund’s net asset value.
- **Interest Rate Risk:** The risk that fixed-income securities will decline in value because of an increase in interest rates; a fund with a longer average portfolio duration will be more sensitive to changes in interest rates than a fund with a shorter average portfolio duration.
- **Credit Risk:** The risk that a fund could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling to meet its financial obligations.

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- **Market Risk:** The risk that the value of securities owned by a fund may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular sectors.
- **Issuer Risk:** The risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or service.
- **Liquidity Risk:** The risk that a particular investment may be difficult to purchase or sell and that a fund may be unable to sell illiquid (*non-marketable*) securities at an advantageous time or price.
- **Mortgage-Related and Other Asset-Backed Risk:** The risks of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk and prepayment risk.
- **Leveraging Risk:** The risk that certain transactions of a fund, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, causing a fund to be more volatile than if it had not been leveraged.
- **Management Risk:** The risk that there is no guarantee that the investment techniques and risk analyses applied by an investment manager will produce the desired results, and that legislative, regulatory, or tax developments may affect the investment techniques available to a particular investment/portfolio manager in connection with managing a fund and may also adversely affect the ability of a fund to achieve its investment objective.

Item 9: Disciplinary Information

A-C NGS has no disciplinary information to report.

Item 10: Other Financial Industry Activities and Affiliations

A.-C. Newport Group Securities, Inc. is an affiliate of Newport Group, Inc., a provider of retirement plan administration and recordkeeping services, Newport Group Consulting, LLC ("NGC"), a registered investment advisor, and Newport Trust Company, a New Hampshire-chartered limited-powers trust company that provides non-discretionary trustee and custodial services.

Principal executive officers and other employees are qualified as Registered Representatives ("RRs") and/or Independent Advisor Representatives ("IARs"). Some individuals are both RRs and IARs. In addition, certain individuals are or may be licensed as insurance agents or brokers for one or more insurance companies.

When acting as IARs, individuals associated with NGS operate under a strict fiduciary standard. Apart and aside from NGS's fee-for-service investment consulting business, when acting in both IAR and RR capacities, individuals associated with NGS are said to be acting in a "dual capacity."

Clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations as to an appropriate broker-dealer or upon implementation of investment recommendations. NGS

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has adopted certain procedures to mitigate the effect of these conflicts, including the proactive disclosure, on a client-specific basis, of the existence of any dual capacity situations.

D. Not applicable to Newport Group.

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

Code of Ethics

- A. Regulations require that an RIA provide its clients with a general description of the consulting firm's Code of Ethics. NGS has adopted a Code of Ethics that sets forth its governing ethical standards and principles. It also describes NGS's policies regarding the following: the protection of confidential information including the client's non-public information; the review of the personal securities accounts of certain NGS personnel for evidence of manipulative trading and insider trading; training of personnel; and recordkeeping. NGS does not recommend individual securities. You may obtain a copy of NGS's Code of Ethics by writing to NGS at the address listed in Item 1.
- B. NGS acts as an investment consultant on the retirement plan for a mutual fund company. Independently, NGS evaluates the funds of this company for consulting clients. NGS manages this conflict of interest by separating NGS employees that provide service to the retirement plan from those that evaluate the funds. The individuals that provide service to the retirement plans do not receive compensation based on the revenue that NGS receives as an investment consultant.
- C. Not applicable to NGS.
- D. Not applicable to NGS.
- E. Not applicable to NGS.

Employee Trading - Potential Conflicts of Interests Policy

NGS does not provide investment advice on individual securities. However, should NGS engage in that activity, individuals associated or employed with NGS may not buy or sell securities identical to those recommended to customers for their personal or related accounts NGS has adopted a uniform insider trading policy and personal securities reporting requirement to identify and mitigate conflicts of interest.

In general, this policy covers personal trading of all NGS employees and any registered individual associated with NGS, and includes the following restrictions on personal trades:

1. No associated person is permitted to place a securities transaction to his advantage over that of a client. NGS's consulting personnel who have access to non-public information regarding clients' securities transactions, are involved in making securities recommendations to consulting clients, and/or have access to securities recommendations that are not public are required to disclose to NGS all personal transactions in securities other than transactions in direct obligations of the U.S. Government, money market instruments, money market funds, mutual funds, and unit investment trusts (including ETF's that are organized as UITs). A NGS supervisor reviews all such transactions; and

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2. A director, officer or employee of NGS shall not buy or sell securities for their own personal portfolios where their decision is substantially derived, in whole or in part, from information received by reason of their employment unless the information is also available to the investing public upon reasonable inquiry.

Item 12: Brokerage Practices

- . 1. Not applicable to NGS.
- . 2. Not applicable to NGS.
- . 3. Not applicable to NGS.

Item 13: Review of Accounts

A. Reviews of Accounts.

The Destination PortfolioSM program combines NGS's proprietary risk-based model portfolios with a target date retirement age Glide Path methodology. The software-based program automatically makes model portfolio adjustments over time to transition to more conservative model portfolios as the participant moves toward and beyond retirement.

More specifically, the program's structured schedule of shifts is dependent on the participant's starting risk level. For example, a participant who originates an investment plan in the aggressive model will have five future scheduled shifts: moderate aggressive; moderate; moderate conservative; conservative; and stable value. The timing of the shifts is based on a participant's starting age. A younger participant will spend considerably longer in various risk stages than an older participant. The structured schedule of shifts is called the Glide Path.

All investment decisions and adjustments to the Destination PortfolioSM program are reviewed by the Director of Asset Allocation and Manager of Research.

- B. **Frequency of Account Reviews.** The Destination PortfolioSM program is software-based and the program has built in to it automatic investment adjustments. First, the program permits participants to make their investment decision based on their own personal situation, preferences and objectives. This program enables participants to invest according to their current age, time horizon based on their selected target retirement age and personal tolerance for market risk. The program then automatically makes model portfolio adjustments over time to transition to more conservative model portfolios as the participant moves toward and beyond retirement. As such, NGS does not conduct any separate, additional account reviews.

- C. **Content of Participant Account Documents and Reports.** The Destination PortfolioSM program is utilized by plan participants through the website www.plandestination.com. When signed into the website, each participant is able to review the account performance, current investments and account statements. The website contains all documents and reports available for each participant's account.

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Item 14: Client Referrals and Other Compensation

- A. NGS receives no direct or indirect economic benefits from any outside sources for providing investment advice or other consulting services to NGS's clients.
- B. NGS may maintain solicitor referral agreements with certain advisory or brokerage firms or individuals ("Intermediary Partners"). Currently, NGS has such arrangements with: Baystate Wealth Management, LLC; Focus On Success; Fulcrum Partners, LLC; Linsco/Private Ledger (LPL) Corp.; Lombard Securities, Inc.; NFP Retirement, Inc.; Northwestern Mutual Investment Services, LLC; The Todd Organization; ValMark Advisers, Inc.; Bernhardt Wealth Management and VerityPoint LLC. Importantly, NGS does not maintain any solicitor referral agreements for the Destination PortfolioSM program.

In accordance with Rule 206(4)–3 under the Investment Advisers Act of 1940, a solicitor referral fee paid to an Intermediary Partner is fully disclosed in writing to the client at the time the Consulting Agreement is executed with NGS.

The referral fee is paid in one of two ways:

- 1. A percent of NGS's annual consulting fee, payable to the Intermediary Partner quarterly; or
- 2. A one-time fee taken from NGS's consulting fee.

Importantly, the fee NGS pays the Intermediary Partner does not increase NGS's fee to the client for investment consulting services.

Item 15: Custody

Not applicable to NGS.

Item 16: Investment Discretion

Investment or Brokerage Discretion PortfolioSM Management Services

For participants in the Destination PortfolioSM program, NGS does exercise discretionary authority in order to invest in securities for participants. A participant's Destination PortfolioSM is created by combining a target retirement age glide path methodology with risk-based model portfolios developed by NGS's in-house investment professionals. The program automatically makes model portfolio adjustments over time to transition to more conservative model portfolios as the participant moves toward and beyond retirement.

Item 17: Voting Client Securities

- A. NGS does not obtain or exercise any proxy voting authority over client securities. Consequently, NGS shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account.
- B. NGS does not have authority to vote client securities. In most cases, clients receive their proxies and/or other solicitations directly from their custodian (or transfer agent). NGS does not volunteer advice concerning the voting of proxies and/or other solicitations; however, NGS will offer advice if contacted by its clients to do so. Clients may contact us for assistance with proxies and/or solicitations via phone, electronic mail or in writing.

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Importantly, NGS will not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client. In addition, NGS typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

Item 18: Financial Information

A.–C. Not applicable to NGS.

Note: NGS does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

NGS does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients, and has not been the subject of a bankruptcy proceeding.