



Newport Group Securities, Inc.
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Item 1: Form ADV Part 2A

Firm Brochure – Destination PortfolioSM

March 31, 2018

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

Item 2: Material Changes

The following summary discusses material changes to the Newport Group Securities Form ADV, Part 2A Destination Portfolio Brochure (the “Brochure”), March 31, 2018. 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:

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Item 4: Advisory Business

A. Background

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.

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. 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.

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.

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.

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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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.

- 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, 2017, NGS has \$ 82,676,593.83 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.

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, Inc.

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.

² A 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.

³ The 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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- 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 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:

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- **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.
- **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 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

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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 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

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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

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

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investments and account statements. The website contains all documents and reports available for each participant's account.

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 does not maintain any solicitor referral agreements for the Destination PortfolioSM program.

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. 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.

Privacy Policy

NEWPORT GROUP, INC.

This Privacy Policy describes how Newport Group, Inc. and its affiliates (collectively referred to as “Newport Group”) collect, utilize and protect nonpublic personally identifiable information for current customers, former customers, and potential customers. We are committed to maintaining the confidentiality, integrity, and security of nonpublic personal information for our customers, and we consider the protection of such information to be a foundation of customer trust and sound business practice.

Who We Are

Newport Group provides recordkeeping, plan administration, trust and custody, consulting, investment advisory/management, insurance and brokerage services.

How We Utilize Your Information

In the course of providing customer services, Newport Group may obtain or have access to nonpublic personal information about its customers and potential customers, their employees, family members, trustees and other fiduciaries and other representatives. Newport Group maintains physical, procedural, and electronic safeguards to protect the privacy of every person whose nonpublic information it obtains or to which it is provided access.

How We Protect Your Nonpublic Personal Information

Newport Group maintains physical, electronic, and procedural safeguards to protect your nonpublic personal information. Such information may be stored in either hard copy or electronic format (or both). We protect this information and use it to service your account. We utilize physical, electronic and procedural controls to protect information, and we regularly adapt these controls to respond to changing requirements and advances in technology. We limit access to nonpublic personal information to only those who require it to develop, support, offer and deliver services to you.

Updating Your Nonpublic Personal Information

Newport Group offers several options for accessing your account information. You can review your information independently using your printed statements, our Newport Group website or our automated telephone service. You may request that we update your information or speak to a representative by calling telephone numbers shown in other parts of this website.

How We Share Information

Unless otherwise authorized by the plan sponsor or plan participant, Newport Group does not share nonpublic personal information about its customers with third parties for use in marketing their products or services. Newport Group may also share nonpublic personal information with our affiliates and third- party service providers performing services relating to your account. These third-party service providers are required by both federal and state law to maintain strict privacy policies. In addition, these service providers are obligated by agreements with Newport Group to keep the nonpublic personal information we share with them confidential.

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From time to time, Newport Group may be required to share nonpublic personal information with federal, state or local regulatory agencies. Newport Group may also be required to share nonpublic information pursuant to a court order requiring disclosure in connection with a court proceeding that involves an account for which Newport Group provides services.

Privacy and our Website

Privacy, security and service in our online operations are a cornerstone of our business environment for our customers. We utilize the safeguards described in this Privacy Policy, along with firewall barriers, authentication procedures and other means, to maintain the security of your online session and to protect your accounts and our systems from unauthorized access.

Accessing our Website

The Newport Group website is located at www.newportgroup.com. By using this website, you agree to abide by the Terms and Conditions (<https://newport.group.com/Terms-of-Use>) that may from time to time be posted on the website. If you do not agree to these terms and conditions, you should not access or use the website.

Collection of Nonpublic Personal Information on our Website

Newport Group does not collect nonpublic personal information from you as you browse this website, other than as described in this paragraph. We collect account-related information that you submit on this website, such as updated personal information provided as described above, and trade and transactional activity in your account. We may also collect information from your use of planning tools available on this website to facilitate your use of those tools, but we do not use any of this information for marketing purposes. We gather and analyze data regarding the use of this website, including domain name, pages visited, length of user session, etc., to help us stay abreast of technical upgrades that can make this website more accessible to visitors, and to record the date and time of your visit to this website.

Cookies

We may utilize “cookies” for security purposes, to facilitate website navigation, and to personalize your experience on this website. Internet “cookies” are messages that a web server gives to your web browser in connection with your visit to a website. The message contains information, in the form of lines of text, that is then stored on your hard drive. When you click on a hyperlink, the website transmits a cookie to your browser; when you return to the page or website that transmitted the cookie, the information is transmitted back to the website’s server. We do not use cookies to store confidential or sensitive information on your computer, or to capture your email address, obtain data from your hard drive, or gain confidential or sensitive information about you.

E-Mail Communications

If, in interacting with this website, you actively transmit to us, by electronic mail, information such as your email address, your account number, or information concerning your account, to enable you or us to perform certain services, we will retain the content of the form or email, the email address and our response. This allows us to keep a record of our contact and provide you with the product, service or information that you may have requested.

Website Usage Information

We may collect and use data regarding visitors' usage of this website for editorial and feedback purposes, for statistical analysis of visitors' behavior, for product development, for content improvement, and to customize the content and layout of this website. This data regarding usage of this website is maintained on an aggregated basis, without identifying information.

Linked Websites

This website contains links to other websites and other websites may link to this one. Third parties providing services to plan participants through Newport Group's website may access via this website nonpublic personal information from Newport Group databases, but only with plan participant's prior written authorization. Linked websites may contain privacy or confidentiality provisions or security measures that differ from those provided on this website. Newport Group is not responsible for such provisions or measures, and expressly disclaims any and all liability related to such provisions.

Mobile Applications

We may from time to time make available mobile applications ("Apps") to allow you to access your account using wireless and mobile devices. This Privacy Policy applies to any nonpublic personal or other information that we may collect through Apps.

Questions

If you have questions regarding this Privacy Policy, please contact us at (925) 328-4540.

Changes to Privacy Policy

Newport Group reviews this Privacy Policy periodically and may make changes or update this policy at any time and from time to time without prior notice. Any changes will be effective upon posting.

Persons who access the Newport Group website do so at their own initiative, and are responsible for compliance with applicable laws and regulations.

Revised 04/01/2016



Newport Group Securities, Inc. (“NGS”)

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Form ADV Part 2B

Firm Brochure Supplement

Destination PortfolioSM

March 31, 2018

This brochure supplement provides information about the investment committee that supplements the Newport Group Securities, Inc. brochure. You should have received a copy of that brochure. Please contact the us at 407-333-2905 if you did not receive NGS's brochure or if you have any questions about the contents of this supplement.

Additional information about the investment committee of NGS is available on the SEC's website at www.adviserinfo.sec.gov.

Form ADV Part 2B: Supplement – Destination PortfolioSM

Items 2–6

In compliance with SEC regulations, Newport Group Securities, Inc. (“NGS”) delivers this Form ADV Part 2B Supplement regarding the Investment Committee that provides advisory services on behalf of the Destination PortfolioSM program. The Destination PortfolioSM program is a managed account service for retirement plan participants that offer continuous professional model portfolio management. The investment process was developed and is implemented by NGS’s Investment Committee. The overall review of the investment management services of NGS lies with the Destination PortfolioSM Investment Committee members. The following individuals make up the Destination PortfolioSM Investment Committee and are either directly or indirectly responsible for delivering the review of the investments:

Investment Committee

***Note:** A description of the professional designations held is provided at the end of this document.

Matthew E. Meyer (1975)

Senior Vice President, Fiduciary Consulting Services

Matthew leads the team providing fiduciary consulting services to Newport Group’s institutional retirement plan clients. He oversees the team’s development of investment policy, menu construction, asset allocation, manager selection, asset/liability management and the delivery of comprehensive investment and fiduciary reviews. He has more than 20 years of experience in the financial services industry. Prior to joining Newport Group, Matthew was a senior institutional consultant analyst with Morgan Stanley. He has also worked as an investment and trading consultant with Charles Schwab. Matthew earned his bachelor’s degree in finance and his master’s degree in business administration from the University of Central Florida. He holds FINRA Series 7, 9, 10, 63 and 65 registrations.

Robert “Ben” Baldridge, CFA, CAIA (1983)

Director of Manager Research

Ben Baldridge leads Newport Group’s investment manager research team and is responsible for qualitative analysis in the firm’s manager selection and monitoring processes. His responsibilities include conducting in-depth due diligence on investment managers and asset management firms to evaluate organizational strengths, investment discipline and sustainability of performance. Prior to joining Newport Group, Ben was an investment analyst with Hewitt EnnisKnupp, working in the Chicago firm’s global private equity and general investment consulting departments. Ben performed investment manager research on private equity funds, primarily those following distressed debt and private lending strategies. Ben earned his bachelor’s degree in finance and marketing from Millikin University in Decatur, IL. He has also earned the designations of Chartered Financial Analyst (CFA) and Chartered Alternative Investment Analyst (CAIA), is a member of the CFA Institute and CAIA Association, and a past board member of CFA Society Orlando. Ben holds FINRA® Series 7 and 63 securities registrations.

Julie M. Leinenbach, CFA, FSA (1967)

Director of Asset Allocation

Julie Leinenbach is a member of Newport Group’s Investment Committee and the Asset Allocation Framework Committee. She is responsible for developing and maintaining Newport Group’s asset allocation framework, and implementing the framework in the form of corporate-directed asset allocation advice and risk-based model portfolio allocations for participant-directed plans. She is also responsible for evaluating investment manager performance, and the qualitative analysis of risk-based and target-date series and participant advice services. Julie has more than 20 years of experience in the financial services industry. Prior to joining Newport Group, she served as a valuation actuary focused on disability

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income at UnumProvident Corporation and a product development actuary for life insurance products at American General Corporation. Julie earned her bachelor's degree in applied mathematical science from Texas A&M University. She holds her Chartered Financial Analyst (CFA) designation and is a Fellow in the Society of Actuaries (FSA). She also holds FINRA Series 7 and 65 registrations.

Item 3: Disciplinary History

Registered investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this item.

Item 4: Other Business Activities

Registered investment advisers are required to disclose all material facts regarding any other business activities that would be material to your evaluation of each supervised person providing investment advice. Supervised persons and members of the investment committee may be registered as a registered representative with Newport Group Securities, Inc., a dually registered investment adviser and broker-dealer. They may also be registered as an investment adviser representative with Newport Group Consulting, LLC, an affiliate of Newport Group Securities, Inc. They do not receive any commissions, bonuses, or other compensation based on the sale of securities or investment products.

Item 5: Additional Compensation

Registered investment advisers are required to disclose any material facts about additional compensation that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 6: Supervision

Each supervised person is a member of the investment committee. NGS has developed policies and procedures to guide the supervision of all supervised persons of the firm and the business of the firm. The person responsible for supervision of the firm is Mr. Matthew Meyer. Mr. Meyer's contact information is 407-333-2905 or mattew.meyer@newportgroup.com.

SUMMARY OF PROFESSIONAL DESIGNATIONS

This Summary of Professional Designations is provided to assist you in evaluating the professional designations and minimum requirements of Investment Committee members that hold these professional designations. The Financial Industry and Regulatory Authority ("FINRA") also provides helpful information, titled "Understanding Professional Designations" which may be found at the following website: <http://apps.finra.org/DataDirectory/1/prodesignations.aspx>.

Chartered Financial Analyst

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

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To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards:

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition:

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge:

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.

The Society of Actuaries

The Society of Actuaries is an education, research, and professional membership organization. Achieving Fellowship or Associateship status is based primarily on completing specified educational requirements, with no requirement related to a certain number of years of practical actuarial experience. The **FSA** and **ASA** designations and **CERA** credential signify completion of the following educational achievements:

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- **Chartered Enterprise Risk Analyst:** A Chartered Enterprise Risk Analyst (*CERA*) of the Society of Actuaries has demonstrated knowledge in the identification, measurement and management of risk within risk-bearing enterprises. The CERA has also completed a professionalism course covering the professional code of conduct and the importance of adherence to recognized standards of practice. CERAs who have the Application for Admission as an Associate approved by the SOA Board of Directors will be granted membership as an Associate.
- **Associate:** An Associate of the Society of Actuaries has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk. The Associate has also learned the basic methods of applying those concepts and techniques to common problems involving uncertain future events, especially those with financial implications. The Associate has also completed a professionalism course covering the professional code of conduct and the importance of adherence to recognized standards of practice. Associates who have been members of the SOA for five or more years may also vote in Society of Actuaries elections.
- **Fellow:** Has demonstrated a knowledge of the business environments within which financial decisions concerning pensions, life insurance, health insurance, and investments are made including the application of mathematical concepts and other techniques to the various areas of actuarial practice. The Fellow has further demonstrated an in-depth knowledge of the application of appropriate techniques to a specific area of actuarial practice. Fellows may vote in Society of Actuaries elections.

Chartered Alternative Investment Analyst (CAIA)

- The CAIA designation, recognized globally, is administered by the Chartered Alternative Investment Analyst Association and requires a comprehensive understanding of core and advanced concepts regarding alternative investments, structures, and ethical obligations. To qualify for the CAIA designation, finance professionals must complete a self-directed, comprehensive course of study on risk–return attributes of institutional quality alternative assets; pass both the Level I and Level II CAIA examinations at proctored testing centers; attest annually to the terms of the Member Agreement; and hold a bachelor's degree (*or equivalent*) plus have at least one year of professional experience or have four years of professional experience. Professional experience includes full-time employment in a professional capacity within the regulatory, banking, financial, or related fields. Once a qualified candidate completes the CAIA program, he or she may apply for CAIA membership and the right to use the CAIA designation, providing an opportunity to access ongoing educational opportunities