



## **Risk Paradigm Group, LLC**

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

**Effective: April 24, 2020**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Risk Paradigm Group, LLC (“RPg” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact the Advisor at (866) 726-5150 or by email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

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

Additional information about RPg and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD number 155870.

#### **Risk Paradigm Group, LLC**

<b>Boston Office</b>	<b>Detroit Office</b>
25 Burlington Mall Rd Suite 307 Burlington, MA 01803 Phone: (866) 726-5150 Fax: (781) 273-0333	255 East Brown Street Suite 101 Birmingham, MI 48009 Phone: (888) 285-8600 Fax: (781) 273-0333

## Item 2 – Material Changes

---

Form ADV 2 is divided into two parts: Part 2A (*the “Disclosure Brochure”*) and Part 2B (*the “Brochure Supplement”*). The Disclosure Brochure provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of RPg. For convenience, the Advisor combined these documents into a single disclosure document.

RPg believes that communication and transparency are the foundation of our relationship and continually strive to provide you with the most complete and accurate information at all times. RPg encourage all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

- Jason McGinty, Senior Portfolio Manager and Founding Partner has left the Advisor effective April 09, 2020.
- The Advisor no longer has an office location at 7509 Menchaca Road, Suite 101, Austin, TX 78745.

### Future Changes

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

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or our CRD number 155870. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (866) 726-5150 or by email at [compliance@riskparadigmgroup.com](mailto:compliance@riskparadigmgroup.com).

## 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 – Advisory Services.....</b>	<b>4</b>
A. Firm Information and Background .....	4
B. Advisory Services Offered .....	4
C. Client Account Management .....	6
D. Wrap Fee Programs .....	6
E. Assets Under Management .....	6
<b>Item 5 – Fees and Compensation .....</b>	<b>6</b>
<b>Item 6 – Performance-Based Fees and Side-By-Side Management.....</b>	<b>7</b>
<b>Item 7 – Types of Clients .....</b>	<b>7</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>8</b>
A. Methods of Analysis.....	8
<b>Item 9 – Disciplinary Information.....</b>	<b>10</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations .....</b>	<b>10</b>
<b>Item 11 – Code of Ethics and Personal Trading.....</b>	<b>11</b>
A. Code of Ethics.....	11
B. Personal Trading with Material Interest .....	12
C. Personal Trading in Same Securities as Clients .....	12
D. Personal Trading at Same Time as Client.....	12
<b>Item 12 – Brokerage Practices .....</b>	<b>12</b>
A. Recommendation of Custodian[s].....	12
B. Aggregating and Allocating Trades.....	13
<b>Item 13 – Review of Accounts.....</b>	<b>13</b>
<b>Item 14 – Client Referrals and Other Compensation .....</b>	<b>14</b>
<b>Item 15 – Custody.....</b>	<b>14</b>
<b>Item 16 – Investment Discretion .....</b>	<b>15</b>
<b>Item 17 – Voting Client Securities .....</b>	<b>15</b>
<b>Item 18 – Financial Information.....</b>	<b>15</b>
<b>Privacy Policy .....</b>	<b>16</b>
<b>Form ADV Part 2B –Brochure Supplement .....</b>	<b>18</b>

## Item 4 – Advisory Services

---

### A. Firm Information and Background

Risk Paradigm Group, LLC (“RPg” or the “Advisor”) is an investment management firm specializing in the design, delivery, and management of tactical investment strategies that primarily uses exchange traded funds (“ETFs”) for their underlying holdings. These strategies are commonly referred to as “Managed ETF Strategies” or “Tactical ETF Strategies” and are powered by policy based, quantitatively driven methodologies and/or a combination of fundamental top down quantitative bottom up analyses (the “Model Methodology[ies]” or “Model[s]”).

RPg primarily serves Financial Intermediaries (the “Intermediary[ies]”) and their End Client (the “End Client[s]”), as well as individuals and institutions seeking portfolios that provide exposure to a variety of different market segments, including: US equities, US fixed income, International equities, and alternative asset classes. More specifically, RPg focuses on downside protection using a repeatable investment process that is either quantitative or a blend of quantitative and a combination of fundamental top down quantitative bottom up analyses. Financial Intermediaries include: broker-dealers, registered investment advisors (“RIAs”), and other Advisory Persons serving both institutional and individual End Clients and qualified & non-qualified plans.

RPg was founded in October 2010 to bring together a team of professionals in an independent, client-centered, fiduciary standard environment who are dedicated to providing investment solutions that help investors seek to protect and grow their wealth. RPg is a wholly-owned subsidiary of Risk Paradigm Group Holdings, LLC, a privately held Limited Liability Company (“LLC”) that is organized under the laws of the State of Delaware. RPg is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”) and is organized under the laws of the State of Texas. RPg is a relying advisor due to common control with its affiliate, RPg Family Wealth Advisory, LLC (Please see Item 10).

This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by RPg. Please contact Brandon Lamb, RPg’s Chief Compliance Officer (“CCO”), with any questions regarding this Disclosure Brochure. Mr. Lamb can be reached at (781) 916-8176.

### B. Advisory Services Offered

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. RPg’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

### **Tactical Investment Strategy Products**

The most prominent expression of RPg’s expertise is through Tactical Investment Strategy Products (“Tactical Strategy[ies]” or “Product[s]”), that are selected and/or otherwise recommended in conjunction with an Intermediary dispensing advice to an End Client.

For each of the RPg Tactical Strategies selected, an investment exposure is identified for which the Model Methodology will be administered, while the TAG strategies use tactical asset allocation, a dynamic investment management style, adjusting asset allocations to our forward view of the relative risk and returns of various asset classes. An example of an RPg Tactical Strategy is the RPg Tactical U.S. Equity Strategy (“TUS”), which seeks to provide approximate upside market performance of the S&P 500® Index with reduced downside market participation. TUS invests in the ten (10) major sectors of the US equity markets through domestic sector ETFs while using our proprietary quantitative ActiveParadigm (“ActiveParadigm”) Model Methodology to adhere to explicit risk controls that allow the portfolio to move to cash equivalents during periods of extreme market drawdown. In this example, both the Intermediary & the End Client are seeking a specific exposure & desired outcome from the Tactical Strategy that is administered by RPg.

The Tactical Strategies currently offered by RPg, which are managed through two respective Model Methodologies, include the following:

**RPg ActiveParadigm Strategy Products**

RPg Tactical U.S. Equity Strategy  
RPg Tactical U.S. Equity FT Strategy  
RPg Tactical U.S. Long/Short Equity Strategy  
RPg Tactical Global Balanced Strategy

**TAG Tactical Strategies**

TAG Tactical Income  
TAG Tactical Conservative  
TAG Tactical Moderate  
TAG Tactical Growth  
TAG Tactical Equity

For a detailed description of these Products and Strategies, please see Item 8 below.

RPg does not typically have an advisory relationship with the Intermediary's End Client and does not provide tailored advice to the End Client nor assist the End Client in determining if any Product is suitable to meet their goals and objectives. The Intermediary is solely responsible for understanding and evaluating each End Client's identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status, financial needs and goals, and for making determinations as to whether a Tactical Strategy provided by RPg is appropriate for each potential End Client. The Intermediary is responsible for reporting and communicating with the End Clients as to the status and performance of their individual investments. At no time will RPg accept or maintain custody of an End Client's funds or securities.

The Tactical Strategies offered to Intermediaries for their End Clients are made available through individual separately managed accounts ("SMAs"), or through agreements of RPg products administered through Model Manager Accounts or Unified Managed Accounts ("MMAs" or "UMAs") Sponsored by third parties ("Sponsor Platform[s]").

**Delivery through Separately Managed Accounts:** Our Products are typically selected and/or otherwise recommended for End Clients through Financial Intermediaries such as broker-dealers and RIAs, and their respective Advisory Personnel. To administer the Tactical Strategies listed above, RPg will manage the selected Product through the SMA on a discretionary basis. At no time will RPg accept or maintain custody of an End Client's funds or securities. All End Client assets will be managed within their designated brokerage account[s] or pension account[s] pursuant to the RPg investment management agreement executed by the Intermediary or the Intermediary's End Client. One recurring example of this would be an Intermediary recommending RPg Tactical U.S. Equity Strategy to their End Client, with that Client then opening a discretionary account at Fidelity, or other independent custodian, in conjunction with entering into an investment management agreement to have RPg serve as the discretionary manager for that account, or consenting to utilize the RPg's contracted subadvisory relationship with the intermediary, to have RPg serve as the discretionary manager for that account.

**Delivery through Platform Agreements in Model Manager Accounts, including Unified Managed Accounts:** For Intermediaries who utilize MMAs and UMAs, RPg provides its Tactical Strategies to RIA firms, Turnkey Asset Management Programs (commonly referred to as "TAMPs"), and UMA Platform Sponsors ("Sponsor[s]") through platform level licensing agreements ("Platform Agreements"). Typically, in such agreements, RPg is responsible for the management of the Tactical Strategy, and then for delivering any corresponding Model or Tactical Strategy updates to the Sponsor in a timely manner. The Sponsor has sole authority and responsibility for administering the Strategy within the End Client account, including adherence to the Product and any updates, discretionary trading of the Tactical Strategy for the benefit of the End Client, and End Client reporting. With respect to the management and delivery of RPg Tactical Strategies, the Models and the recommendations implicit in the Models, generally are not tailored to the individual needs or circumstances of an Intermediary's End Client.

### **Customized Investment Management Services**

RPg may provide customized investment management services (“Customized Strategies”) to individuals, institutions such as endowments or foundations, and qualified & non-qualified plans through separately managed accounts (“SMAs”) or through Platform Agreements as described above. With respect to any Customized Strategy managed by RPg, the investment guidelines will be administered in accordance with a documented investment mandate provided by the End Client’s Intermediary or Platform Sponsor and delivered to RPg. At no time will RPg accept or maintain custody of an End Client’s funds or securities, except for the authorized deduction of RPg’s investment management fees. All End Client assets will be managed within their designated brokerage account[s] or pension account[s] pursuant to the RPg investment management agreement, executed by the End Client. Please see Item 5 below for more details.

### **Sub-Advisory Relationships**

At this time, RPg is not engaged in any sub-advisory agreements with unaffiliated parties. RPg reserves the right to enter into sub-advisory relationships in the future.

### **C. Client Account Management**

Pursuant to the delivery of investment management services associated with RPg’s Products, the Methodologies and Tactical Strategies generally are not administered to the specific needs or circumstances of an Intermediary or their End Client. RPg does not typically have the direct advisory relationship with the End Client, but may at times. RPg does not typically tailor its investment services for the Intermediary’s End Client, or for determining if any RPg Product is appropriate for the End Client. The Intermediary is solely responsible for understanding and evaluating each End Client’s identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status, financial needs and goals, and for making determinations as to whether a Product provided by RPg is appropriate for each potential End Client. The Intermediary is responsible for reporting and communicating with the End Clients as to the status and performance of their individual investments.

In certain circumstances, an RPg contract is utilized working with the End Client’s Financial Intermediary. The Financial Intermediary will work directly with the Client to understand the identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status, financial needs and goals, and for making determinations as to whether a Product provided by RPg is appropriate for the Client.

At no time will RPg accept or maintain custody of a Client’s funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices.

### **D. Wrap Fee Programs**

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

### **E. Assets Under Management**

As of December 31, 2019, RPg manages \$46,579,256 in Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## **Item 5 - Fees and Compensation**

### **General Account Characteristics**

The investment management agreement executed between RPg and the End Client or the sub-advisory agreement executed between RPg and the intermediary shall define the pricing, terms and conditions of the Tactical Strategy or other investment advisory service selected/recommended to an End Client thru their Financial Intermediary, and the roles & responsibilities of the End Client, Financial Intermediary and RPg as Investment Manager.

### **Payment of Fees**

In general, for Products, RPg will charge a management fee of up to 0.65% per annum based upon the assets under management in each End Client account. Fees are based on the market value of assets under management at the end of the prior calendar quarter. Investment management fees in the first quarter of service

are prorated from the inception date of the account to the end of the first quarter. Fees do not cover any execution-related expenses, commissions and margin interest, if any, securities exchange fees, or other fees required by law or charged by the broker-dealer with custody of the End Client accounts.

Assets will be held in custody and administered by a third-party custodian (examples include Schwab and Fidelity). The custodian will also be responsible for valuing securities in the End Client accounts. Both our investment management agreement and the custodial/clearing agreement may authorize the End Client's custodian to debit the End Client's account[s] for the amount of our investment management fee and to directly remit that investment management fee to RPg in compliance with regulatory procedures. End Clients will be provided with a statement from the account custodian at least quarterly, reflecting deduction of RPg's investment management fee.

Fees for RPg Tactical Strategies offered by Model Manager and Unified Managed Account platform sponsors are determined by the Platform Sponsor.

For Tactical Strategies, RPg generally requires a minimum account size between \$25,000 and \$50,000 depending upon the strategy to effectively implement its strategies. Account minimums may be reduced at RPg's sole discretion.

Client may be able to obtain similar services from other service providers for a lower fee.

#### **Additional Information Concerning Fees**

In certain circumstances, investment management fees may be negotiable based upon specific requirements. The fees charged are calculated as described above. All fees paid to RPg for investment management services are separate from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus.

#### **Termination of Contracts**

Upon written notice, either party may terminate the investment management agreement at any time. The End Client may also terminate the investment management agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. For fees paid in advance, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to the End Client within ninety (90) days. The Custodian will deliver securities and funds held at custodian as instructed by the End Client, unless the End Client requests that the securities and funds be liquidated. Termination of an investment management agreement will not affect the liabilities or obligations of the parties arising out of any transaction initiated prior to termination. An investment management agreement will not terminate in the event of your death, disability, or incompetence. However, in the event of the End Client's death, disability, or incompetence, the End Client's executor, guardian, attorney-in fact or other authorized representative may terminate an investment management agreement by providing written notice to RPg with such termination being effective upon our receipt of such notice.

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

---

RPg does not charge performance-based fees for its investment advisory services. The fees charged by RPg are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any End Client.

RPg does not typically offer any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) to Financial Intermediaries or their End Clients.

## **Item 7 - Types of Clients**

---

RPg is an investment management firm that mainly manages Tactical Investment Strategies. We primarily serve Financial Intermediaries who select and/or otherwise recommend our Tactical Strategies for the benefit of their

**Risk Paradigm Group, LLC**

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



End Clients, although some strategies may be offered directly to End Clients. Financial Intermediaries include: broker-dealers, registered investment advisors (“RIAs”), and other Advisory Persons serving both institutional and individual End Clients and qualified & non-qualified plans.

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

---

### A. Methods of Analysis

All Model Methodologies used to provide investment advisory services and to manage RPg Tactical Investment Strategy Products are policy based and quantitatively and qualitatively driven. The intellectual property deployed in the Models is proprietary (all research and development is conducted internally by RPg’s Investment Committee).

Each Tactical Investment Strategy and corresponding Model Methodology has explicit rules, maintained by RPg, to identify and define the universe, class and type of securities to buy or sell, the frequency and timing of investment decisions or rebalancing, the weightings or amounts of a security to hold, and procedures regarding how to acquire or dispose of the security. RPg utilizes intellectual property for the investment strategy construction and the analysis to support Model Methodologies for the Tactical Strategies. Investing in securities involves risk of loss that clients should be prepared to bear.

As previously referenced in Item 4 above, the RPg Tactical Investment Strategy Products are as follows:

The RPg Model Methodologies below use a proprietary quantitative algorithm that is momentum and volatility based and is run on a weekly basis to determine which sectors and/or which ETFs within each Sleeve are forecasted for positive trends and which sectors are forecasted to lose money. All sectors allocated within in the portfolio are equal weighted at the time of the rebalance with a maximum exposure limit for any individual sector ETF at that time. Once maximum exposure limits are reached, the portfolio then begins to build a cash position using cash equivalents. The strategies seek to achieve their investment objectives while using our proprietary quantitative Model Methodology, ActiveParadigm, to adhere to explicit risk controls that allow the portfolios to move to cash equivalents during periods of extreme market drawdown.

**RPg Tactical U.S. Equity Strategy (“Tactical U.S.” or “TUS”):** The Tactical U.S. Strategy has an investment objective of long-term capital appreciation that strives to approximate upside market performance of the S&P 500® Index with reduced downside market participation. TUS invests in the major sectors of the US equity markets through domestic sector ETFs.

**RPg Tactical U.S. Equity FT Strategy (“FT” or “TUSFT”):** The Tactical U.S. Equity FT Strategy has an investment objective of long-term capital appreciation that strives to approximate upside market performance of the S&P 500® Index with reduced downside market participation. TUSFT invests in the 10 major sectors of the US equity markets through the First Trust AlphaDEX® domestic sector ETFs.

**RPg Tactical U.S. Long/Short Equity Strategy (“U.S. Long/Short” or “TUSLS”):** The Tactical U.S. Long/Short Strategy has an investment objective of long-term capital appreciation that strives to approximate and enhance upside market performance of U.S. equities with reduced downside market participation. TUSLS invests in the major sectors of the U.S. Equity markets through domestic sector ETFs. The strategy uses levered ETFs for its long positions, and levered inverse ETFs for its short positions.

**RPg Tactical Global Balanced Strategy (“Global Balanced” or “TGB”):** The Tactical Global Balanced Strategy has an investment objective of long-term capital appreciation that strives to approximate and enhance upside global market performance encompassed by four broad asset classes (“Sleeves”) of: U.S. Equity, International Equity, Fixed Income, and Alternatives (including Gold, Real Estate, and MLP ETFs) with reduced downside market participation. TGB seeks to achieve its investment objective by allocating across ETFs within the four Sleeves.



The TAG strategies below use tactical asset allocation, a dynamic investment management style, adjusting asset allocations to our forward view of the relative risk and returns of various asset classes. The portfolios utilize a “fund of funds” strategy, investing exclusively with asset class specific ETFs and ETNs versus investing directly in individual stocks and bonds. We construct our core portfolios using the following five integrated levels of risk management: *Target Allocation* - seeking to establish Equity Risk; *Wide Diversification* - seeking to protect Allocation Risk; *Position Limits* - seeking to reduce Concentration Risk; *Passive Indexes* - seeking to minimize Security Risk; and *Tactical Overlay* - seeking to manage Event Risk. We use a proactive investment management process globally across multiple asset classes in our portfolios.

**TAG Tactical Income (“TI”):** The TAG Tactical Income is a global, unconstrained income portfolio. With a proactive investment style across a broad global asset class universe, it can seek the best income opportunities in any economic and interest rate environment. As such, it has the potential to earn high income while still providing prudent risk management.

**TAG Tactical Conservative (“TC”):** The TAG Tactical Conservative is designed around a targeted time horizon between 1-3 years, and a risk tolerance targeted to be 20% equity and 80% fixed income. This is delivered by investing in ETF's representing various asset classes globally versus the more traditional use of stocks and bonds.

**TAG Tactical Moderate (“TM”):** The TAG Tactical Moderate is designed around a targeted time horizon between 4-9 years, and a risk tolerance targeted to be 60% equity and 40% fixed income. This is delivered by investing in ETF's representing various asset classes globally versus the more traditional use of stocks and bonds.

**TAG Tactical Growth (“TG”):** The TAG Tactical Growth is designed around a targeted time horizon of 10 plus years, and a risk tolerance targeted to be 80% equity and 20% fixed income. This is delivered by investing in ETF's representing various asset classes globally versus the more traditional use of stocks and bonds.

**TAG Tactical Equity (“TE”):** TAG Tactical Equity is a global, unconstrained equity portfolio. With a proactive investment style across a broad global asset class universe, it can seek the best equity opportunities in any economic environment, while still providing prudent risk management.

#### **Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. RPg will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

Following are some of the risks associated with the Advisor's investment approach:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of an ETF is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Mutual Fund Risks

The performance of a mutual fund is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

### Inverse and Leveraged ETFs

Inverse ETFs seek to deliver the opposite of the performance of the index or benchmark they track. Like traditional ETFs, some leveraged and inverse ETFs track broad indices, some are sector-specific, and others are linked to commodities, currencies, or some other benchmark. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward moving markets.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

---

RPg values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. On August 25, 2016, RPg Asset Management entered into a settlement with the SEC regarding an administrative proceeding involving the use of performance in advertisements, resulting from the Advisor's reliance on information provided by their sub-advisor. RPg no longer has a relationship with that sub-advisor and has taken measures internally to prevent such an issue in the future. The backgrounds of the Advisor and its Advisory Persons are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD #155870.

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

---

### Risk Paradigm Group Holdings, LLC

RPg is a wholly-owned subsidiary of Risk Paradigm Group Holdings, LLC ("RPg Holdings"), a Delaware limited liability holding company. Risk Paradigm Group Holdings, LLC is a privately held partnership consisting of eight partners, one of whom actively participate in the business. Risk Paradigm Group Holdings, LLC is also the parent to RPg Family Wealth Advisory, LLC (CRD# 158528), an affiliated registered investment advisor that provides comprehensive investment advisory and wealth management services. Certain Advisory Persons of RPg are also Advisory Persons of RPg Family Wealth Advisory, LLC.

The affiliation between Risk Paradigm Group Holdings, RPg, and FWA presents certain conflicts of interest and financial risks in that the revenues and expenses of the firms are comingled in addition to having shared clients.

---

Risk Paradigm Group, LLC

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

#### RPg Family Wealth Advisory, LLC

RPg provides certain investment management services to an affiliated registered investment advisor, RPg Family Wealth Advisory, LLC (referred to as “FWA”), including portfolio management and the creation, implementation, and management of RPg investment Models used with their End Clients. In this relationship, RPg typically provides investment management and trade execution services in a sub-advisory capacity, or else at the recommendation of FWA will directly enter into an RPg investment management agreement with their End Client for individually customized services. At no time will RPg accept or maintain custody of an FWA Client’s funds or securities. All End Client assets will be managed within their designated brokerage account[s] or pension account[s], pursuant to the investment management agreement executed by the End Client. **Please note that RPg manages assets for many End Clients of its affiliated registered investment advisor, FWA. These clients pay separate fees to RPg and FWA for the management and advisory services provided by each firm respectively.** Certain Advisory Persons of RPgAM are also Advisory Persons of FWA.

#### Insurance Agency Affiliations

As noted in Item 5, certain Advisory Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from one’s role with AM. As an insurance professional, the Advisory Person will receive customary commissions and other related revenues from the various insurance companies whose products are sold. The Advisory Person is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by the Advisory Persons or the Advisor.

#### RPg Insurance Solutions

FWA also utilizes RPg Insurance Solutions for insurance solutions for new or existing clients of FWA. RPg Insurance Solutions helps individuals, families and businesses find all lines of insurance solutions including Life, Group Health, Long-Term Care and Disability Benefits. Certain Advisory Persons of FWA are also representatives of RPg Insurance Solutions. The recommendation by an Advisory Person that a Client purchase an insurance product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than based on a particular Client’s need. Advisory Persons of FWA will receive separate fees from RPg Insurance Solutions and FWA for the advisory services provided by each firm respectively. Clients are reminded that they remain free to purchase insurance products through other insurance agencies.

#### Dynasty Financial Partners

Risk Paradigm Group Holdings, LLC maintains a business relationship with Dynasty Financial Partners, LLC (“Dynasty”) for the benefit of its subsidiary, FWA. RPg Holdings has obtained financing for the FWA business through Dynasty. Dynasty extended installment payments to cover expenses incurred by FWA and owed to Dynasty by RPg Holdings pursuant to RPg Holdings’ contract with Dynasty. Dynasty is not affiliated with Risk Paradigm Group, LLC.

#### Additional Lending Relationships

RPg Holdings has received capitalization through both debt and equity investments from certain family, friends, and Clients of RPg, one of whom is a partner in RPg Holdings. RPg Holdings has also received capitalization from retail lenders.

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

## **Item 11 – Code of Ethics and Personal Trading**

---

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

RPg has implemented a Code of Ethics (the “Code”) that defines the Advisor’s fiduciary commitment to each Client. This Code applies to all persons associated with RPg ( “Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor’s duties to the Client. RPg and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of RPg

Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (866) 726-5150 or via email at [compliance@riskparadigmgroup.com](mailto:compliance@riskparadigmgroup.com).

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

RPg allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. RPg does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. RPg does not have a material interest in any securities traded in Client accounts.

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

RPg allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of RPg have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by RPg requiring personal securities trades by its employees to be reviewed by the Chief Compliance Officer (“CCO”). The Advisor also adopted written policies and procedures to detect the misuse of material, non-public information.

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

While RPg allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward. **At no time will RPg, or any Supervised Person of RPg, transact in any security to the detriment of any Client.**

## **Item 12 – Brokerage Practices**

---

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

RPg generally does not accept discretionary authority to select the broker-dealer/custodian for accounts, but may recommend a custodian, as appropriate. All assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or a custodian bank (the “Custodian”). The Intermediary and/or the End Client will typically select the Custodian for safekeeping of the accounts.

Where RPg does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Intermediaries and/or End Clients for trade execution and/or custody services. End Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fees or cost associated with a Custodian not recommended by RPg. However, the End Client may incur additional costs, such as trade-away fees and other transaction costs. RPg may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the End Client, services made available to the Intermediary and/or End Client, speed and likelihood of execution, the reputation of Custodian and/or the location of the Custodian’s offices.

RPg will generally recommend that Clients establish accounts at Fidelity Investments, Inc. and its affiliated companies (collectively “Fidelity”). RPg maintains this institutional relationship with Fidelity and other institutional platforms and may receive certain economic benefits. Please see Item 14 below.

RPg will execute securities transactions within the designated account[s] at the Custodian, unless the End Client has established prime brokerage capabilities for the account[s] to authorize RPg to direct trading to other broker-dealers. The Custodian is designated in the investment management agreement executed by the End Client and other forms/agreements provided by the various broker-dealers/custodians.

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

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. On a limited basis, RPg obtains third-party research products and services that are paid for by allocating a portion of RPg's trading activity to a broker-dealer that provides soft dollar payments. While RPg uses these research products and services to benefit their Tactical Strategies and all End Clients, certain Intermediaries or End Clients may receive the benefits of these services where their trading activity did not pay for such services. In addition, RPg maintains institutional relationships with certain Custodians, as described in Item 14 below.

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

**3. Brokerage Transactions** - RPg will direct and place all orders for the execution of transactions through a qualified independent broker/dealer or the Custodian, under the Client's independent, exclusive agreement with these parties. RPg will arrange for the execution of securities transactions for the Tactical Strategy and End Client Account through a broker-dealer/custodian that RPg reasonably believes will provide best execution. In seeking best execution, RPg may consider, among other things, the execution capabilities of the broker-dealer/custodian, its reputation and its access to the markets for the securities being traded. The End Client shall be responsible for such brokerage expense as billed directly by the Custodian and/or any broker-dealer. Under certain circumstances, RPg may engage in securities cross-trades, whereby an End Client account that is selling a particular security may be advantageous to the account[s] of one or more other End Clients. In such instances, RPg will only engage in a cross trade that is in the best interests of each End Client and will never engage in any transaction that favors one End Client over another. RPg does not serve in the capacity as broker or agent in such transactions and does not receive any commission or compensation (aside from its investment management fees).

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

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

## **Item 13 - Review of Accounts**

---

As part of adherence to the fiduciary standard described in Item 11 of this Disclosure Brochure, RPg may conduct periodic account reviews to ensure consistent and accurate reporting by the custodian. Furthermore, the firm's Investment Committee provides ongoing monitoring and oversight of the Tactical Strategies being managed within the End Client accounts. Suitability for Client accounts established through financial intermediaries are the responsibility of the respective financial intermediary.

RPg may provide additional information to Intermediaries for their End Clients upon request.

With respect to the management and delivery of RPg Tactical Strategies through Model Management and UMA platforms, the Models and the recommendations implicit in the Models, generally are not administered to the specific needs or circumstances of the Intermediary's End Clients. RPg does not typically have the advisory relationship with the End Client. As between RPg and the Intermediary, RPg is not responsible for making investment decisions for the End Client, or for determining if adherence to any RPg Tactical Strategy is appropriate for the individual End Client. RPg does not conduct account reviews specifically on behalf of the End Client when RPg does not have the advisory relationship with the End Client and the account is established through a financial intermediary.



## Item 14 – Client Referrals and Other Compensation

---

### Participation in Institutional Advisor Platform

The Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to Fidelity's Institutional platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

### Participation in Institutional Advisor Platform - Schwab

RPG has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like RPG. As a registered investment advisor participating on the Schwab Advisor Services platform, RPG receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

*Services that Benefit the Client* – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

*Services that May Indirectly Benefit the Client* – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients.

*Services that May Only Benefit the Advisor* – Schwab also offers other services to RPG that may not benefit the Client, including: educational conferences and events, financial start-up support, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a potential conflict of interest. RPG believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

### Compensation to Solicitors

Certain unaffiliated firms may enter into an agreement with RPg for the purposes of introducing and directing investors to RPg. The End Client will not be charged a higher fee resulting from any solicitor relationship. Any End Client resulting from the agreement between RPg and the Solicitor will receive disclosures in accordance with SEC Rule 206(4)-3 under the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

## Item 15 – Custody



---

RPg does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct RPg to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by RPg to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

## **Item 16 – Investment Discretion**

---

RPg typically has discretion over the selection and amount of securities to be bought or sold on behalf of End Client accounts without obtaining prior consent or approval from the End Client. The granting of discretionary authority will typically be evidenced by the End Client's execution of an investment management agreement containing all applicable limitations to such authority or the financial intermediary's execution of a sub-advisory agreement. All discretionary trades made by RPg will be in accordance with each Tactical Strategy's written investment guidelines, objectives and goals.

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

For the delivery of RPg Tactical Strategies in Model Manager Accounts, including Unified Managed Accounts, RPg does not make any investment decisions or exercise investment discretion. In these situations, RPg provides Model Methodology data, Strategy allocation changes, and/or recommendations to the Sponsor platform, where the Sponsors have the responsibility for implementing these recommendations.

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

---

RPg does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

## **Item 18 – Financial Information**

---

RPg Holdings is in financial distress which has negatively impacted its subsidiary companies, including RPg, due to the nature of its affiliation with RPg (see Item 10). The lack of profitability from, and expenses associated with RPg, coupled with RPg Holdings' debt obligations, has caused the management team of RPg Holdings to significantly reduce all expenses associated with RPg.

As noted in Section 4.A Firm Information and Item 10 – Other Financial Activities and Affiliations, RPg is a wholly owned subsidiary of Risk Paradigm Group Holdings, LLC ("RPg Holdings"). RPg Holdings also owns RPg Family Wealth Advisory, LLC ("FWA"). RPg Holdings has received significant capitalization through both debt and equity investments from certain family, friends and Clients of RPg and FWA.

RPg is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not require prepayment of fees for services to be performed six months or more in advance. Neither RPg, nor any of its Advisory Persons, has been subject to a bankruptcy.

RPg Holdings has obtained financing for the FWA business through Dynasty. Dynasty extended installment payments, thru the end of 2020, to cover expenses incurred by FWA and owed to Dynasty by RPg Holdings pursuant to RPg Holdings' contract with Dynasty.

# Privacy Policy

---

## **Overview**

Risk Paradigm Group, LLC ("RPg") is committed to safeguarding the use of your personal information that is obtained during the normal course of business. RPg's policy is to protect the security and confidentiality of personal information and ensure that such information is used for proper business purposes in connection with the management or servicing of your account. RPg's relationship with you is our most important asset and we understand that you have entrusted RPg with your private information, and will do everything we can to maintain that trust. This Privacy Policy has been adopted to promote the protection of client non-public information.

RPg respects the privacy of its clients and acts to meet the expectations of its clients in this regard. RPg does not sell your non-public personal information to anyone. Nor does RPg provide such information to others except for discrete and proper business purposes in connection with the servicing and management of accounts as discussed below.

Details of RPg's approach to privacy and how your personal non-public information is collected and used are set forth in this privacy policy.

## **Information RPg Collects**

RPg typically receives personal information when you complete the paperwork required to become a Client. Your information may include:

• Name and address	• Assets
• E-mail address[es]	• Income
• Phone number[s]	• Account balance
• Social security or taxpayer identification number	• Investment activity
	• Accounts at other institutions

In addition, RPg may collect non-public information about you from the following sources:

- Information RPg receives on Brokerage Agreements, Managed Account Agreements and other Subscription and Account Opening Documents;
- Information RPg receives in the course of establishing a customer relationship including, but not limited to, applications, forms, and questionnaires;
- Information about your transactions with RPg or others

## **Information RPg May Disclose**

RPg works to provide products and services that benefit our customers. RPg typically does not share non-public client information with non-affiliated third parties (such as brokers and custodians) other than as necessary for RPg to provide agreed services and products to you consistent with applicable law. For example, RPg may disclose non-public personal information to other financial institutions with whom there are joint business arrangements for proper business purposes in connection with the management or servicing of your account. In addition, your non-public personal information may also be disclosed to you, persons RPg believes to be your authorized agent or representative, regulators in order to satisfy RPg's regulatory obligations, and as otherwise required or permitted by law. Lastly, RPg may disclose your non-public personal information to companies RPg hires to help administrate our business. Companies hired to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. RPg limits their use of your personal information to the performance of the specific service(s) that are requested.

**To repeat, RPg does not sell your non-public personal information to anyone.**

## **Information About Former Clients**

RPg does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer clients.

## **Confidentiality and Security**

RPg employees understand the requirement to respect the confidentiality of customers' non-public personal information and RPg periodically trains and educates employees in the handling and safeguarding of personal information in accordance with applicable laws, rules, and regulations. Additionally, RPg maintains physical, procedural and electronic safeguards in an effort to ensure the security and confidentiality of customer records and to protect the information from access by unauthorized parties. Employees who violate these policies are subject to disciplinary

action, up to and including termination.

RPg understands the need to provide a secure environment for physical and electronic non-public client information. In addition to building security provided by building management, RPg has various controls in place to protect the security of the firm's offices. Administrators in each office monitor visitors to the office and are trained on procedures for handling unauthorized individuals.

RPg regularly assesses its ability to protect the firm's network against unauthorized access to its data by electronic outside parties, and has systems designed to prevent intrusions. Systems are monitored and any potential security breaches are reviewed and resolved on a high priority basis. Appropriate planning to address cybersecurity and a quick response capability may assist FWA in mitigating the impact of any such cyber-attacks and any related effects on clients.

RPg will perform assessments of the contract provisions and confidentiality and privacy policies of the service provider(s) to determine if appropriate safeguards for protecting customer information accessible to the provider are in place.

The CCO or delegate will annually test the information safeguards to ensure that they remain effective. The CCO or delegate will also attempt to annually identify reasonably foreseeable risks to information security and assess the effectiveness of existing safeguards for controlling these risks.

### **Delivery of Privacy Policy**

RPg will provide clients an initial privacy policy notice at the time the relationship is established and will also provide customers with an annual notice that accurately reflects the privacy policies and practices. Periodically, RPg may revise the privacy policy and will provide you with a revised policy if the changes materially alter the previous privacy policy. RPg will not, however, revise the privacy policy to permit the sharing of non-public personal information other than as described in this notice unless you are first notified and provided with an opportunity to prevent the information sharing. You may obtain a copy of the current privacy policy by contacting RPg at (866) 726-5150.

**Dated:** April 24, 2020



## Form ADV Part 2B – Individual Disclosure Brochure

for

**David M. Gatti**  
**Chief Executive Officer, Chief Investment Officer**  
**Founding Partner**

**Effective: April 24, 2020**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of David M. Gatti (CRD# **2415422**) in addition to the information contained in the Risk Paradigm Group, LLC (“RPg” or the “Advisor” CRD #155870) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you have any questions about the contents of this Brochure Supplement or RPg’s Disclosure Brochure, please contact the Advisor at (866) 726-5150 or by email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

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

### **Risk Paradigm Group, LLC**

<b>Boston Office</b>	<b>Detroit Office</b>
25 Burlington Mall Rd Suite 307 Burlington, MA 01803 Phone: (866) 726-5150 Fax: (781) 273-0333	255 East Brown Street Suite 101 Birmingham, MI 48009 Phone: (866) 726-5150 Fax: (781) 273-0333

---

**Risk Paradigm Group, LLC**

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

## Item 2 – Educational Background and Business Experience

David M. Gatti is the Chief Executive Officer (“CEO”) and Chief Investment Officer (“CIO”) of Risk Paradigm Group, LLC. A Founding Partner of the firm, Mr. Gatti is dedicated to serving the Clients of RPg and its affiliated entities. Mr. Gatti earned a B.S. in Business Administration from University of Massachusetts at Lowell in 1992. Additional information regarding Mr. Gatti’s employment history is included below.

### Employment History:

Chief Executive Officer and Chief Investment Officer and Founding Partner Risk Paradigm Group, LLC	09/2011 to Present
Chief Executive Officer and Founding Partner, Risk Paradigm Group Holdings, LLC	09/2011 to Present
Chief Executive Officer and Chief Investment Officer and Founding Partner RPg Family Wealth Advisory, LLC	09/2011 to Present
Registered Representative, Race Rock Capital LLC	09/2013 to 12/2014
Senior Investment Management Specialist, Morgan Stanley Smith Barney	01/1996 to 09/2011
Registered Representative, Citigroup Global Markets Inc.	06/1994 to 01/1996

## Item 3 – Disciplinary Information

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

Mr. Gatti’s U4 includes two events to disclose that were lodged against Morgan Stanley Smith Barney or predecessor entities (collectively “MSSB”) by former clients of MSSB and Mr. Gatti as a registered representative of MSSB. The disputes did not include Mr. Gatti as a named party and MSSB settled both disputes prior to any formal hearings, which had been commenced as arbitration proceedings and had referenced conduct by Mr. Gatti. As these matters were lodged against MSSB and did not include Mr. Gatti as a party, all settlement proceeds were paid by MSSB with no monetary contribution from or findings of wrongdoing by Mr. Gatti.

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

## Item 4 – Other Business Activities

### Risk Paradigm Group Holdings, LLC

Mr. Gatti also serves as the Chief Executive Officer and Founding Partner of Risk Paradigm Group Holdings, LLC, the parent company to RPg and its affiliated entities.

### RPg Family Wealth Advisory, LLC

In addition, Mr. Gatti is the CEO, CIO and Founding Partner of RPg Family Wealth Advisory, LLC (“FWA”). In his role with FWA, Mr. Gatti is responsible for overseeing the investment policy and advisory services provided by FWA as well as overall firm strategy.

### Insurance Agency Affiliation

Mr. Gatti is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from one’s role with FWA. As an insurance professional, Mr. Gatti receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Gatti is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Gatti or the Advisor.

### RPg Insurance Solutions

Mr. Gatti also serves as the CEO of RPg Insurance Solutions and is responsible for providing suitable insurance products to clients.

## **Item 5 – Additional Compensation**

---

Mr. Gatti has additional business activities where compensation is received that are detailed in Item 4 above.

## **Item 6 – Supervision**

---

Mr. Gatti is supervised by Brandon Lamb, the Chief Compliance Officer. Mr. Lamb can be reached at (781) 916-8176.

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





## Form ADV Part 2B – Individual Disclosure Brochure

for

**James F. Peters, Jr.  
Managing Director**

**Effective: April 24, 2020**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of James F. Peters, Jr. (CRD# **1543053**) in addition to the information contained in the Risk Paradigm Group, LLC (“RPg” or the “Advisor” CRD #155870) Disclosure Brochure. If you have not received a copy of this Brochure Supplement or if you any questions about the contents of this Brochure Supplement or RPg’s Disclosure Brochure, please contact the Advisor at (866) 726-5150 or by email at [info@riskparadigmgroup.com](mailto:info@riskparadigmgroup.com).

Additional information about James F. Peters, Jr. is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 1543053.

### **Risk Paradigm Group, LLC**

<b>Boston Office</b>	<b>Detroit Office</b>
25 Burlington Mall Rd Suite 307 Burlington, MA 01803 Phone: (866) 726-5150 Fax: (781) 273-0333	255 East Brown Street Suite 101 Birmingham, MI 48009 Phone: (866) 726-5150 Fax: (781) 273-0333

---

**Risk Paradigm Group, LLC**

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

## Item 2 – Educational Background and Business Experience

---

James F. Peters, Jr. is a Managing Director for Risk Paradigm Group, LLC. Mr. Peters has over 40 years of financial services experience. Mr. Peters is dedicated to serving the Clients of RPg and its affiliated entities. Mr. Peters graduated from St. Louis University with a BS in Accounting, minors in Economics and Philosophy and a Master of Science in Taxation (MST) from Walsh College. He is a Certified Public Accountant and a member of the American and Michigan Association of CPAs. Additional information regarding Mr. Peters's employment history is included below.

### Employment History:

Managing Director, Risk Paradigm Group, LLC	07/2016 to Present
Managing Director, RPg Family Wealth Advisory, LLC	07/2016 to Present
Chief Executive Officer, Tactical Allocation Group, LLC	03/2004 to Present
Investment Advisor and Registered Representative, Leonard & Company	03/2004 to 10/2006
SVP, UBS Financial Services Inc.	01/1995 to 04/2004

## Item 3 – Disciplinary Information

---

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

Mr. Peters's U4 includes three events to disclose that were lodged against Morgan Stanley Smith Barney or predecessor entities and Shearson by former clients of the firms and Mr. Peters as a registered representative of the firms. The disputes did not include Mr. Peters as a named party and the firms settled the disputes prior to any formal hearings, which had been commenced as arbitration proceedings and had referenced conduct by Mr. Peters. As these matters were lodged against the firms and did not include Mr. Peters as a party, all settlement proceeds were paid by the firms with no monetary contribution from or findings of wrongdoing by Mr. Peters.

However, we do encourage you to independently view the background of Mr. Peters on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 1543053.

## Item 4 – Other Business Activities

---

### RPg Family Wealth Advisory, LLC

Mr. Peters also serves as a Managing Director for RPg Family Wealth Advisory, LLC, an affiliated registered investment advisor. In his role as Managing Director, Mr. Peters is dedicated to the servicing of his Clients.

## Item 5 – Additional Compensation

---

Mr. Peters has additional business activities where compensation may be received that are detailed in Item 4 above.

## Item 6 – Supervision

---

Mr. Peters is supervised by Brandon Lamb, the Chief Compliance Officer. Mr. Lamb can be reached at (781) 916-8176.

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