



SEC Registered Investment Adviser

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Additional Locations:

Berkeley, CA

San Francisco, CA

www.FinancialConnections.com

Form ADV Part 2A

March 1, 2021

This brochure provides clients and prospective clients with information about Financial Connections Group, Inc. and the qualifications, business practices, and nature of its services that should be carefully considered before becoming an advisory client. The contents of this brochure have not been approved or verified by the Securities and Exchange Commission, hereinafter the "SEC," or any other state or federal authority. While the firm is an investment adviser registered with the SEC, it does not imply a certain level of skill or training on the part of the firm or its associated personnel.

Questions relative to the firm, its services, or this ADV Part 2A may be made to the attention of Ms. Jill Hollander at (415) 924-1091. Additional information about the firm, other advisory firms, or associated investment adviser representatives is available on the Internet at www.adviserinfo.sec.gov.

Item 2 - Material Changes

The following material changes have occurred since its last annual update to the brochure dated March 1, 2020.

Item 4 – Service changes

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the SEC's Website: www.adviserinfo.sec.gov or you may contact our firm at (415) 924-1091.

As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

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Item 4 - Advisory Business

Financial Connections Group, Inc. is an SEC registered investment adviser domiciled in the State of California. In addition to the firm's notice filing with the State of California (original registration in 1994), Financial Connections Group, Inc. and its associated personnel may register or meet certain exemptions to registration in other states in which they conduct business. Ms. Jill Hollander is the firm's Managing Partner, Chief Compliance Officer, and majority shareholder.

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer Financial Connections Group, Inc. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

As a fee-only financial planning and investment management firm, we help plan for your future whether you're an individual, a couple or represent a trust. We assist clients plan for their financial future to fulfill their goals and objectives. We are fiduciaries and put our client's interest first. We do not sell any products and receive no commissions.

The firm holds itself to a *fiduciary standard*, which means Financial Connections Group, Inc. and its associates will act in the utmost good faith and performing in a manner believed to be in the best interest of its clients.

As of December 31, 2020, Financial Connections Group, Inc. provides investment management services under a discretionary account agreement involving approximately \$370.8 million in client assets.

Introductory Meeting

A complimentary interview is conducted by a qualified representative of the firm to determine the scope of services to be provided. A package is then sent via DocuSign, the Proposal, the firm's ADV Part 2A, ADV Part 2B, Part 3 and Privacy Policy are included. If the information is downloaded from the web site, the ADV Part 2A, ADV Part 2B(s), ADV Part 3 and Privacy Policy are also available.

Should the client wish to engage Financial Connections Group, Inc. for its services, parties must enter into a written agreement, with further discussion and analysis conducted thereafter to ascertain financial need, goals, holdings, etc. The ADV Part 2A, Part 2B(s), ADV Part 3 and Privacy Statement accompany an Agreement.

Advice is based upon the information disclosed by the client or their legal agent and incorporates the client's financial situation at the time the plan is presented. In performing its services the firm may, but is not required to, verify any information received from the client or from the client's agents.

The firm does not provide accounting or legal services. With the client's consent, the firm may work with the client's other advisers (accountants, attorneys, etc.) to assist with coordination and implementation of accepted strategies. The client should be aware that their other advisers may bill them separately for their services, and these fees will be in addition to those of the firm.

FINANCIAL PLANNING

We prefer a client relationship begin with a plan. Our process starts by focusing on your:

- Goals (current and future)
- Timeframe to accomplish goals
- Activity (i.e. college savings, retirement plan, transition to retirement)

Depending upon the type of relationship you want with Financial Connections, we offer:

- **Hourly/Project-Based Financial Planning by Topic** – discusses your objectives and questions you want the financial plan to answer.

We ask that you complete a questionnaire and spending worksheet before our first meeting. Receiving these documents in advance allows us time to review your circumstances for a more productive meeting. This “get acquainted” meeting is complimentary.

Based on how much time it will take to create the plan, we quote you a price range (number of hours times the hourly rate). We will identify documents we need to work on your plan. Utilizing the information, we create the scenarios that respond to your questions and issues.

Once the project is complete, our relationship ends.

Unless the firm is engaged for long-term services, pursuant to a written agreement that includes review and updates, it would be the client’s responsibility to engage additional services under a new engagement if desired. After we work with you to develop a financial plan, you may decide to continue to work with us implementing your plan, updating or your plan and/or to manage your assets.

- **Ongoing Financial Planning**

We ask that you complete a questionnaire and spending worksheet before our first meeting. Receiving these documents in advance allows us time to review your circumstances for a more productive meeting. This “get acquainted” meeting is complimentary.

Based on our discussion, we may ask for some additional information in order to evaluate the cost. It will be based on the amount of time it will take to accomplish the tasks ahead of us over the next 12 months. Payment is due at the end of each 90 days. Once an Agreement is signed, we will jointly develop a quarterly calendar for tasks to be accomplished together.

Throughout the year we may include such items as:

- Personal Financial Statement
- Cash Flow Management
- Employee Benefits
- Education Planning
- Risk Management and Insurance Planning
- Tax Planning
- Retirement Savings and Income Planning
- Estate Planning
- Attendance, if appropriate, at meetings with other tax and legal professionals

While we are available to help you implement the plan, the client has absolute discretion over all implementation decisions and is free to accept or reject any recommendation made by the firm. Further, it remains each client's responsibility to promptly notify Financial Connections Group, Inc. if there is a material change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising the firm's recommendations or services.

➤ **INVESTMENT SERVICES**

We offer two options for investment management: a Customized Portfolio, or a Digital Investment Management solution that enables you to invest, based on a portfolio allocation model that we design.

- **Customized investment portfolio** - designed as the next step after your financial plan. We create a portfolio for your circumstances that takes into account tax issues, risk tolerance and time frame. Also included is your personal website. Minimum investment \$400,000.

For our customized portfolios, we use a global core-satellite approach - a combination of passive (index style) for the core and active (stock/bond selection) investments for the satellite. We may also use the satellite to emphasize a theme. We view this as part of our diversification strategy.

We do not try to "beat the market" but rather invest to achieve your financial goals within the risk tolerance identified.

Your financial plan serves as a guide for portfolio design.

We design the portfolio as a team. We believe this approach allows the whole to be greater than the sum of its parts.

You can view your investments 24/7 on your personalized, secure, website (portal).

Impact Investing

Since the late 90s, we have offered investment options for Socially Responsible Investing (SRI), now referred to as Impact Investing or ESG (Environmental, Social and Governance). If

this is important to you. we are happy to customize a portfolio with some or all of your assets invested in this category.

The clients' active participation and involvement in the development of the portfolio as well its ongoing management is preferred. The firm encourages frequent client contact; however, it is up to the client to initiate the appointment at his/her/[their](#) convenience. Clients may call the office at any time during normal business hours to discuss the client's account or investment needs directly with an investment advisory representative of Financial Connections Group, Inc. *During the span of the advisory relationship, clients are obligated to promptly notify the firm of any changes in the client's financial status.* Prompt contact in this situation allows the client and firm to have the opportunity to review the current investment plan to help ensure the investment strategies continue to meet changing needs, or to determine if there needs to be a change in stated investment objectives or portfolio strategies.

- **Digital Investment Management (FC Digital)** – We offer a digital investment management solution for clients who want to take advantage of our investment management expertise and a digital experience. Based on your responses to risk questions, a model portfolio is assigned. Opening and transferring of accounts is accomplished electronically. Portfolio information is available 24/7 via a portal. Minimum investment \$10,000

You complete the new account paperwork for your investments to be moved to our custodian, TD Ameritrade. In the electronic package for opening your account will be Financial Connections' Management Agreement and Disclosure Statements (Form ADV Part 2A, 2B, 3, and Privacy Statement).

If there are tax issues or other concerns regarding a specific holding within the portfolio you currently hold, we will have a conversation to discuss how to proceed. Our general practice is to liquidate the holdings and reinvest them in the model assigned based on your risk responses. Your account statements will be provided via your portal that also provides performance data.

We will have available two informational interactions per year to discuss portfolio strategy.

Tax Preparation Services

Some ongoing Management Services clients utilize tax preparation services. However, this service is no longer offered since we are at capacity.

Speaking Engagements

Investment adviser representatives of the firm provide speaking engagements or educational workshops on an "as announced" basis for groups desiring general advice on investments and personal finance, upon request. Topics include issues related to asset/wealth management, financial planning, investment planning, retirement planning strategies, or various other economic topics. Such programs are purely educational in nature and do not involve the sale of any products.

General Information

The firm will use its best judgment and good faith effort in rendering its services to its clients. Financial Connections Group, Inc. cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, the firm will not be liable to the client, heirs, or their assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by the firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from the firm's adherence to the client's or their legal agent's direction; or any act or failure to act by a service provider maintaining an account.

Notwithstanding the preceding, nothing within the client services agreement is intended to diminish in any way the firm's fiduciary obligation to act in the client's best interest or shall in any way limit or waive any rights clients may have under federal or state securities laws or the rules promulgated pursuant to those laws.

Item 5 - Fees and Compensation

Financial Planning

The firm provides financial planning on a Project or Ongoing basis. Project-Based Financial Planning is billed hourly. The current hourly rate is \$300; billed in 15-minute increments, and a partial increment will be treated as a whole.

The estimate for the plan is based on the scope of the project.

The Ongoing Financial Planning is a fixed cost. Based on the complexity of your situation, we will quote a fixed amount to be reviewed annually. The fee will be billed quarterly in arrears.

Tax Preparation Services

Previously, Ongoing Management Services clients have been offered tax preparation services. Fees are charged at the hourly rate of \$300 and are negotiable at the discretion of a principal of the firm. However, this service is no longer offered to new clients.

Investment Services

Financial Connections Group, Inc. charges an annualized asset-based fee for its investment management services as depicted in the following:

Management Service	Current Annual Management Fee
Customized Portfolio*	0.75% of Assets under Management
FC Digital**	0.50% of Assets under Management

*Customized Portfolio management account minimum \$400,000

**FC Digital account minimum of \$10,000

If investment clients contact us with questions unrelated to their portfolios, they will be billed at our hourly rate in 15 minutes increments.

Endowments

An investment policy statement is drafted with those responsible for the endowment. Items contributing to the policy are:

- Distribution amounts and frequency;
- Amount of money available for mid and long-term growth;
- Any bias of the endowment (i.e. socially responsible funds); and
- Any restrictions required by the endowment.

At minimum, an annual meeting is advised for review. Quarterly performance reports are sent to the designated representative. Fees are a percent of assets managed or a flat fee as noted in earlier sections that are reviewed every two years.

“Householding” Accounts

At its discretion, the firm may aggregate or “household” accounts (including multiple accounts) for the same individual or two or more accounts within the same family or related parties, or accounts where a family member/related party has power of attorney over another family member/related party or incompetent person's account. Should, however, investment objectives be substantially different for any two or more household accounts requiring different investment approaches, the firm reserves the right to apply its fee schedule separately to each account.

Billing Cycle and Fee Assessments

Asset-based fees for Customized Portfolio and Digital Investment Management services are billed quarterly in arrears based on the market value of the assets under management on the last business day of the previous quarter. Fees for these services are prorated based on deposits and withdrawals over \$100.

There are clients with fixed/retainer fees. The account's first billing cycle will occur at the end of the current cycle once the account is funded. Irrespective of a partial period under the firm's management, however, it may be prorated.

Fee payments will generally be assessed within ten business days following each calendar billing period. For those accounts held by client's selected brokerage firm or custodian that the firm does not maintain an agreement, fees will be withdrawn from the client's account at TD Ameritrade. Direct billing is at the client's request and fees will be due in full upon receipt of the firm's invoice.

For purposes of determining account asset value, securities and other instruments traded on a market for which actual transaction prices are publicly reported will be valued at the last

reported sale price on the principal market in which they are traded. If there are no sales on such date, then they will be determined by the mean between the *closing bid* and *asked price* on such date. Other readily-marketable securities will be valued using a pricing service or through quotations from one or more dealers. In the absence of a market value, Financial Connections Group, Inc. may seek an independent third party opinion or through a good faith determination by a qualified firm associate.

The applicable ongoing management fees referenced include all fees and charges for the services of the firm and its investment adviser representatives. The client will be required to authorize in writing a selected broker/dealer or custodian ("service provider") to deduct advisory fees, applicable transaction charges, etc., from client accounts and all such fees will be clearly noted on client statements. Further information involving the firm's custodian relationship is described in Section 12 of this document.

For those clients that have previously engaged the firm to perform financial planning services, the fee may be different than those fees described above.

In all instances, the client shares the responsibility of verifying the accuracy of fee calculations in their invoice/statement.

No Commission Mutual Funds

Specific fund recommendations made by the firm will usually be for "no-load" (i.e., no commission) mutual funds. In some cases, as with certain mutual funds, there may not be a suitable selection available within the no-load category. However, there may be mutual funds shares that have a commission but can be purchased at NAV (without the commission) through the custodian's mutual fund marketplace.

Any transactional or custodial fees assessed by the selected service provider and/or individual retirement account or qualified retirement plan account termination fees are borne by the client and are as provided in the current, separate fee schedule of the selected service provider. Fees paid to the firm for its services are separate from any charges the client may pay for mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), or other investments of this type.

Fees charged by these issuers are detailed in prospectuses or product descriptions and clients are encouraged to read these documents before investing.

Termination of Services

Either party may terminate the agreement at any time by written notice (including email) to the other. Should the client or their legal representative verbally notify Financial Connections Group, Inc. of the termination and, if in several business days following this notification the firm has not received notice in writing, the firm will make written notice of such termination in its records and will confirm our understanding to the former client.

Once either party terminates, no activities will be initiated by Financial Connections Group, Inc. (i.e., sale of mutual funds, etc.) unless requested by the terminated client. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, with the refund calculations based pro rata to the date of termination.

A new client may terminate an agreement with the firm within five business days after the signing of the services agreement without penalty or charge. Thereafter, any prepaid, unearned fees will be promptly returned.

Following termination notice, it will remain the client or their legal representative's responsibility to ensure transfer is completed of any portfolio, account, or residual to the receiving service provider. The firm will not be responsible for future allocations, transactions, etc., upon receipt of a termination notice. If the client has not moved their account from under the Financial Connections Group, Inc. record of accounts within 60 days of termination notification, the firm may request the account(s) be moved from the institutional services division of the custodian to its retail services section.

Item 6 - Performance-Based Fees and Side-By-Side Management

The firm's investment management fees will not be based upon a share of capital gains or capital appreciation of the funds or any portion of funds of an advisory contract, also known as performance-based fees.

Financial Connections Group, Inc. prohibits any affiliated entity or employee to engage in or benefit from side-by-side investment management arrangements, often reflective of managing a hedge fund or other similarly pooled fund.

Item 7 - Types of Clients

The firm offers its services to individual investors, couples, non-traditional couples, LGBTQ community, trusts, estates, endowments, profit sharing plans, and small businesses of various scales.

Clients or their legal representative (i.e., under a durable power of attorney) are expected to provide an adequate level of information and supporting documentation to the firm throughout the term of the engagement, including source of funds, income levels, client or legal agent's authority to act on behalf of the account, among others. This will allow the firm to determine the appropriateness of its investment strategy for the client or account.

The firm does not require minimum dollar value of assets or other conditions for any of its hourly financial planning. For Customized Investment Portfolio clients, the firm generally requires an account minimum of \$400,000.¹ For Digital Investment Management (FC Digital) the minimum investment is \$10,000.

Financial Connections Group, Inc. may charge a lesser asset-based fee determined by certain other criteria (i.e., existing financial planning client, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, existing client referral, etc.).

The firm reserves the right to decline services to any prospective client for any reason.

¹ We reserve the right, but are not obligated, to charge a lower fee and/or require a lower account minimum for those accounts opened prior to the date of this disclosure.

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

Financial Connections Group, Inc. attempts to measure an investor's goals, risk tolerance and time horizon through an interview process and information provided by the client in an effort to determine a plan/portfolio to best fit the investor's profile. Investment strategies may be based upon a number of concepts and determined by the type of investor. As the client's financial situation, goals, objectives, or needs change, the client must promptly notify the firm.

Methods of Analysis

The firm employs fundamental analyses; using data to evaluate a security's intrinsic value. For example, fundamental analysis of a bond's value could involve evaluating economic factors including interest rates, the current state of the economy, and information about the bond issuer's credit ratings. Fundamental analysis of a stock takes into account revenues, earnings, future growth, return on equity, profit margins and other data to evaluate a company's value and its potential for future growth.

Information and research may be derived from commercially available software technology, securities rating services, general market and financial information, due diligence reviews and specific investment analysis requested by the clients from time-to-time.

Investment Strategies

Financial Connections Group, Inc. believes that asset allocation is a key component of investment portfolio design. The firm attempts to allocate assets across diverse investment categories (stock vs. bond, foreign vs. domestic, large cap vs. small cap, real assets, etc.) and believes it is a primary determinant of portfolio returns and long-term success of the client's financial objectives.

The firm generally employs development of a core portfolio with tactical overlays. Portfolios are designed with a long-term perspective. In limited circumstances, the firm may offer advice on shorter-term investment strategies when requested by the client.

Recommended portfolios include one or more investment vehicles, such as active or passive mutual funds, ETFs/ETNs, individual equity or debt securities, commercial paper, certificates of deposit, and municipal or government securities. Existing positions within a client account will also be evaluated and may be recommended to remain when deemed appropriate.

The firm does not manage but may offer assistance with partnership investments in an existing portfolio but limits its advice to reviews and consultation for the overall appropriateness of the investment. The nature of the advice will be based upon information provided by the client.

Financial Connections Group, Inc. may cause clients to purchase mutual fund shares for which the client pays a transaction charge. Although there may be similar mutual funds available with no transaction fees ("NTF funds"), the firm believes that the overall costs associated with NTF fund shares may be higher over the long term than the transaction charge paid initially by the client. Included in this philosophy is the firm's use of mutual funds within the Dimensional Funds group, which are not NTF funds.

Risk of Loss

While Financial Connections Group, Inc. believes its strategies and investment selection is designed to potentially lose less than the markets when they decline and participate when they rise. It cannot warrant or guarantee that an investment objective or planning goal will be achieved. Some investment decisions made may result in loss, which may include the original principal invested. The client must be able to bear the various risks involved in the investment of account assets, which may include market, currency, interest rate, liquidity, operational or political risk, among others.

When the firm's research and analyses is based upon commercially available software, rating services, general market and financial information, or due diligence reviews, the firm is relying upon the accuracy and validity of the information or capabilities being provided by selected vendors, rating services, market data, and the issuers themselves. The firm makes every effort to determine the accuracy of the information received but it cannot foretell events or actions taken or not taken, or the validity of all information it has researched or provided which may or may not affect the advice to or investment management of a client account or financial plan.

The goal of the investment portfolio is not to beat an index but to generate a return consistent with the client's goals and objectives.

Financial Connections Group, Inc. looks for portfolio managers who have a significant investment in their own funds and, if they are small boutique companies, their employees also invest in the funds. The firm feels this enhances the possibility of a more tax efficient fund and puts the manager and employees on the same "side of the table" as its clients.

Those clients that direct the firm to allocate all or a portion of their investment assets among ESG mutual funds or ETFs should understand that the following limitations correspond to an SC objective:

- the current number of fixed income and equity may be limited;
- because of this limitation, the ability of the firm to diversify client assets among different mutual funds is correspondingly limited;
- the number of publicly traded companies that meet the ESG investment parameters are also limited;
- because of the current limitations of available ESG-funds and publicly traded companies that qualify for this type of investing, there is a probability of similarity of holdings (fixed income and equity) amongst funds, which, depending upon the performance of the underlying securities, could have a more pronounced positive or negative impact on the portfolio; and
- as a result of earlier-stated limitations, an ESG portfolio may be more volatile than a fully diversified portfolio, and is appropriate for ESG investors with an investment time horizon in excess of five years.

Investment vehicles such as ETFs have the potential to be affected by “active risk” or “tracking error risk,” which might be defined as a deviation from their stated benchmark (index). Since certain ETFs attempt to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a “sample index” ETF that may not as closely align the stated benchmark. In these instances, the firm may choose to reduce the weighting of a holding or use a “replicate index” ETF as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

Further, while many ETFs/ETNs are known for their potential tax-efficiency and higher “qualified dividend income” (QDI) percentages, there are certain asset classes or holding periods within an ETF/ ETN that may not benefit. Shorter holding periods as well as commodities and currencies may be considered “non-qualified” under certain tax code provisions, therefore, the holding’s QDI will be considered if tax-efficiency is an important aspect of the portfolio.

Item 9 - Disciplinary Information

Neither Financial Connections Group, Inc. nor any of its associated personnel have been the subject of a reportable legal or disciplinary event pursuant the Investment Advisers Act of 1940 (as amended) or similar state statute.

Item 10 - Other Financial Industry Activities and Affiliations

Neither the firm nor its associated persons are affiliated with or maintain a material relationship or arrangement with another financial industry entity, such as a custodian or broker/dealer.

Financial Connections Group, Inc. is a member of the Garrett Planning Network (Garrett), an organization that assists financial planners in fee-only, financial planning practices. Garrett is not, nor believed required to be, a registered financial industry participant. The firm pays an annual membership fee to Garrett for extensive services that include a host of training, compliance and operational support to enhance its ability to provide quality service and advice to the investing public. Garrett members must also adhere to ethical guidelines, and meet experiential and education requirements.

Investment adviser representatives of the firm hold individual membership or serve on boards or committees of professional industry associations such as the Financial Planning Association (FPA), National Association of Personal Financial Advisors (NAPFA), the Certified Financial Planner Board of Standards, Inc., among others.

Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements.

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

The firm’s policies require it and its personnel to conduct business activities in a manner that avoid actual or potential conflicts of interest between the firm, employees and clients, or that may otherwise be contrary to law.

The firm will provide disclosure to its client prior to and throughout the term of an engagement of any conflicts of interest which will or may reasonably compromise its impartiality or

independence.

Code of Ethics

The firm has adopted a Code of Ethics that sets forth the policies of ethical conduct for all personnel and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulation but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. The firm's policies include the prohibition against insider trading, circulation of industry rumor, among others.

Firm personnel that are CFP® designees or FPA members also adhere to the Certified Financial Planner Board of Standards and Code of Ethics. These principles include:

- Act with honesty, integrity, competence, and diligence.
- Act in the client's best interests.
- Exercise due care.
- Avoid or disclose and manage conflicts of interest.
- Maintain the confidentiality and protect the privacy of client information.
- Act in a manner that reflects positively on the financial planning profession and the CFP® certification.

Additionally, associates of our firm that are NAPFA members adhere to its **Fiduciary Oath** that states that:

"The advisor shall exercise his/her best efforts to act in good faith and in the best interests of the client

The advisor shall provide written disclosure to the client prior to the engagement of the advisor, and thereafter throughout the term of the engagement, of any conflicts of interest, which will or reasonably may compromise the impartiality or independence of the advisor.

The advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product.

The advisor does not receive a fee or other compensation from another party based on the referral of a client or the client's business.

Following the NAPFA Fiduciary Oath means I shall:

- *Always act in good faith and with candor.*
- *Be proactive in disclosing any conflicts of interest that may impact a client.*
- *Not accept any referral fees or compensation contingent upon the purchase or sale of a financial product."*

Due to the nature and scale of the firm, not all organizational duties are segregated; however, the firm employs policies and procedures to ensure timely recordkeeping and supervision. Certain functions may be outsourced to assist in these efforts when deemed necessary.

Financial Connections Group, Inc. will provide of copy of its Code of Ethics to all clients and prospective clients upon request.

The firm periodically reviews and amends its Code of Ethics and written procedures to ensure currency, and all firm access persons are required no less than annually to attest to their understanding and adherence.

Privacy Statement

Financial Connections Group, Inc. is committed to maintaining the confidentiality, integrity and security of the personal information that it is entrusted.

The categories of nonpublic information that the firm may collect may include information about a client's personal finances needed for the financial planning process, investment management and/or tax preparation.

Upon the client's request, the firm will provide specific information to attorneys, accountants, and mortgage lenders with whom the client may have established a relationship. With the client's permission, the firm will share a limited amount of information with custodians in order to execute securities transactions on the client's behalf.

Financial Connections Group, Inc. maintains a secure office, including detection and alarm systems, to ensure that information is not placed at unreasonable risk. The firm employs a firewall barrier, data encryption techniques and authentication procedures within its computer environment.

The firm does not provide personal information to mailing list vendors or solicitors. Financial Connections Group, Inc. requires strict confidentiality in its agreements with unaffiliated third parties that require access to client information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review both firm and client records as permitted by law.

Personally identifiable information about a client will be maintained during the period of engagement, and for the period thereafter as required by federal and state securities and privacy laws. After that time, information may be destroyed.

The firm will notify its clients annually of its privacy policy and at any time, in advance, if its policy is expected to change.

Participation or Interest in Client Transactions

The firm has attempted to minimize conflicts by working on a fee-only basis, however, not all conflicts can be eliminated. The professional services and their associated costs described in earlier sections of this brochure by their very nature present a potential conflict of interest if a client or prospective client is in need, for example, of paying off a home mortgage or funding their retirement.

The firm recommends a client pay off a mortgage or fully fund a retirement account, however, the prospective client must make the determination if they should forego a percentage of their resources to pay for the firm's advice, as they would for other professional services.

Since the firm offers its clients financial planning services, in addition to investment management services, a potential conflict of interest may exist. Therefore, the client is under no obligation to act upon a firm recommendation. If the client elects to act on any of the firm's recommendations, they are under no obligation to execute them through Financial Connections Group, Inc. or its associates.

Neither the firm, employees nor any related person are authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Employees are prohibited from taking or providing a loan from a client unless it is an approved financial institution or, in the case of a natural person, it is an immediate family member.

The firm recognizes that should it act as the adviser to the sponsor of an ERISA-qualified retirement plan (i.e., 401(k)) and one of its investment adviser representatives serves in an advisory capacity to one or more of the plan's participants, a potential or implied conflict of interest may occur. The firm may require its employee to cease in this plan participant advisory capacity or, upon disclosure to and approval from the plan sponsor, allow the dual advisory role to continue and with consideration made to offset fees.

Personal Trading

The firm, its associates, and any related persons buy or sell securities similar to those recommended to clients for their accounts. The firm may also make recommendations or take action with respect to investments for its clients that may differ in nature or timing from recommendations made to or actions taken for other clients or its employees. However, at no time will Financial Connections Group, Inc. or any related party receive preferential treatment over its clients.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading, firm policy may require the utilization of published lists that restrict or prohibit transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm's Chief Compliance Officer in advance of the transaction in any related person's account. The firm maintains the required personal securities transaction records per regulation.

Item 12 - Brokerage Practices

Financial Connections Group, Inc. is not affiliated with any service provider. When engaged to provide investment management services, the firm may offer to use the service provider with whom the prospective client's assets are currently maintained.

If you have engaged our firm to provide investment management services, we will recommend the services of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member

FINRA/SIPC.² As stated earlier, our firm is independently owned and operated and is not legally affiliated with TD Ameritrade Institutional or any other firm we may recommend.

TD Ameritrade Institutional will hold your assets in an account in your name and will buy and sell securities when we instruct them. While we recommend that you use TD Ameritrade Institutional as your service provider, you must decide whether to do so and your account with TD Ameritrade Institutional will be entered into via an account agreement directly with them. We technically do not open the account for you, although we will assist you in doing so.

TD Ameritrade Institutional offers independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. Our firm receives some benefits from TD Ameritrade Institutional through participation in their programs (please see Item 14).

We periodically conduct an assessment of any service provider we recommend, including TD Ameritrade Institutional, which generally includes a review of their range of services, reasonableness of fees, among other items, and in comparison to their industry peers.

Best Execution

Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed in the previous section. The firm recognizes its obligation in seeking "best execution" for our clients; however, it is our belief that the determinative factor is not always the lowest possible cost but whether the selected service provider's transactions represent the best "qualitative" execution while taking into consideration the full range of services provided. Therefore, the firm will seek services involving competitive rates but it may not necessarily result in the lowest possible rate for each transaction. The firm has determined that having TD Ameritrade Institutional execute its trades is consistent with its duty to seek "best execution."

The firm will periodically review policies regarding its recommending service providers to clients in light of its duty to seek "best execution."

Client Referrals

All compensation paid to the firm is paid directly by the client and, therefore, the firm does not receive any additional compensation when its clients engage a recommended custodian or any other service provider.

Directed Brokerage

Financial Connections Group, Inc. does not require or engage in directed brokerage involving its accounts.

The client may direct Financial Connections Group, Inc. (in writing) to use another particular broker-dealer to execute some or all transactions for the client's account. In these circumstances, the client is responsible for negotiating *in advance of the transaction* the terms and/or arrangements for their account with their selected service provider. The firm will not be

² Our firm is not, nor required to be, a Financial Industry Regulatory Authority (FINRA) or Securities Investor Protection Corporation (SIPC). You may learn more about the SIPC and how it serves member firms and the investing public by going to their website at <http://www.sipc.org>.

obligated to seek better execution services or prices from these other service providers, nor be able to aggregate client transactions for execution through other custodians with orders for other accounts managed by the firm. As a result, the client may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Further, pursuant to the firm's obligation of best execution, it may decline a client's request to direct brokerage if the firm believes any directed arrangement would result in additional operational difficulties, expense, or risk to the firm.

Trade Aggregation

Transactions for each client will generally be effected independently unless the firm decides to purchase or sell the same securities for several clients at approximately the same time often termed "aggregated" or "batched" orders. The firm does not receive any additional compensation or remuneration as a result of aggregated transactions.

Financial Connections Group, Inc. may (but is not obligated to) aggregate orders in an attempt to obtain better execution, negotiate favorable transaction rates, or to allocate equitably among client accounts should there be differences in prices and commissions or other transaction costs that might have been obtained had such orders been separately placed.

Within aggregated orders, transactions will generally be averaged as to price and allocated among the clients on a *pro rata* basis on any given day and the firm will attempt to do so in accordance with applicable industry rules. Client accounts where trade aggregation is disallowed or infeasible may be assessed higher transaction costs than those that are batched.

The firm reviews both its trade aggregation procedures and allocation processes on a periodic basis to ensure it remains within stated policies and/or regulation. Clients will be informed, in advance, should aggregation or allocation practices change.

It should be noted that, generally, the firm purchases shares of mutual funds which are priced at the end of the market day.

Trade Errors

The firm corrects all trade errors through a Trade Error Account maintained by the firm's custodian, and the firm will be responsible for any losses in accounts. Likewise, any gains will be donated to a local charity.

Item 13 - Review of Accounts

Accounts are periodically reviewed throughout the year by firm principals.

Additional reviews may be triggered by news or research related to a specific holding, a change in the firm's view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts may also be reviewed when being considered for an additional holding or an increase in a current position. Account cash levels above or below that deemed appropriate for the investment environment, given the client's stated tolerance for risk and investment objectives, or

withdrawal requests may also trigger a review.

Content of Client Provided Reports and Frequency

Clients will receive account statements sent directly from custodians or brokerage companies where their investments are held. Our firm urges them to carefully review these statements for accuracy and clarity, and to ask questions when something is not clear.

Our firm provides portfolio reports if it is engaged to provide periodic asset allocation or investment advice; however, our firm does not provide ongoing performance reporting under our financial planning and investment consultation services engagements.

Item 14 - Client Referrals and Other Compensation

Economic Benefit from External Sources and Potential Conflicts of Interest

Financial Connections Group, Inc. may receive an economic benefit from external sources in the form of the support products and services they make available to our firm and other independent investment advisers. As disclosed under Item 12, our firm participates in the TD Ameritrade Institutional customer program and the firm may recommend TD Ameritrade Institutional to its clients for custody and brokerage services.

There is no direct link between the firm's participation in the program and the investment advice given to clients, although the firm receives economic benefits through its participation in the program that are typically not available to "retail investors." These benefits include the following products and services (provided either without cost or at a discount):

- receipt of duplicate client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving our clients;
- access to block trading (which provides the firm the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client's accounts);
- the ability to have advisory fees deducted directly from client's accounts per a written agreement;
- access to an electronic communications network for client order entry and account information;
- access to mutual funds with no transaction fees, and to certain institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products or services provided to the firm by third party vendors.

TD Ameritrade Institutional may also pay for business consulting and professional services received by our firm. Some of the products and services made available by TD Ameritrade Institutional through a program may benefit the firm but may not benefit client accounts. These products or services may assist the firm in managing and administering client accounts, including accounts not maintained at either custodian. These other services made available by TD Ameritrade Institutional are intended to help our firm manage and further develop its business enterprise. The benefits received by our firm or its associates through participation in a program do not depend on the amount of brokerage transactions directed to TD Ameritrade Institutional.

As part of its fiduciary duty, Financial Connections Group, Inc. endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of any economic benefit by our firm or its associates in and of itself creates a potential conflict of interest and may influence the choice of TD Ameritrade Institutional for custody and brokerage services.

Advisory Firm Payments for Client Referrals

The firm does not currently engage in solicitation activities, as defined by Rule 206(4)-3 of the Investment Advisers Act of 1940 (as amended) or similar state regulation, nor does it pay a direct or indirect fee for referrals.

As earlier stated, Financial Connections Group, Inc. and associated personnel may be members of the Garrett Planning Network and other professional associations, such as NAPFA or the FPA. An added benefit some of these entities may provide to the investing public is the availability of an electronic map or listing on their website that allows interested parties (prospective clients) to search for participant firms (such as Financial Connections Group, Inc.) or individual financial planners within a selected state or region. The map or list may note advisory firm or individual financial planner contact information, and these passive websites may also provide means for interested persons to contact a firm or planner via electronic mail or telephone number so that the interested person may interview the participant firm or planner. Members of the public may also choose to telephone association staff to inquire about a firm or individual planner within their area, and would receive the same or similar information.

Prospective clients locating Financial Connections Group, Inc. or an individual associate via a noted venue are not actively marketed, nor do clients or prospective clients pay more for their services than another client who may be referred in another fashion, such as a personal referral. Further, the firm does not pay these entities for prospective client referrals nor is there a fee-sharing arrangement reflective of a solicitor engagement.³

Item 15 - Custody

Client funds and securities will be maintained by unaffiliated, qualified custodians (such as TD Ameritrade), banks, broker-dealers, mutual fund companies, or transfer agents; not with or by Financial Connections Group, Inc. nor any of its associates.

The client will be required to authorize in writing a selected service provider unaffiliated with Financial Connections Group, Inc. to deduct the firm's advisory fees from their account and all

³ The firm believes this arrangement is in consonance with SEC No-Action Letter No. 1251421 in its response to the National Football League Players Association.

such fees will be clearly noted on client statements.

The firm will not accept or forward client securities (i.e., stock certificates) erroneously delivered to the firm.

At no time will a firm employee be authorized to have knowledge of a client's account access information (i.e., online 401(k), personal brokerage, or bank accounts), even for the "accommodation" of the client or their legal agent.

Firm policies restrict the firm and its associated persons from acting as trustee for or having full power of attorney over a client account unless it is an immediate family member.

At no time will the firm's fees for a client be collected for its services to be performed more than six months in advance *and* \$1,200 or more.

Clients will be provided transaction confirmations and summary account statements sent directly from their selected service provider; not through or by Financial Connections Group, Inc. Typically, these statements are provided on a monthly or quarterly basis, and as transactions occur. Clients are reminded to inform the firm if they do not receive these statements in a timely fashion. For those accounts that elect to receive electronic statements from the selected service provider, they must ensure they maintain a current electronic mail address with the service provider.

Clients receive periodic reports from Financial Connections Group, Inc. that summarize account performance. They are urged to compare their account statements received from the assigned service provider with those performance reports they receive from the firm for accuracy.

Item 16 - Investment Discretion

The firm generally provides investment management services to its ongoing clients via a discretionary account agreement. Similar to a limited power of attorney, this authority allows the firm to implement investment decisions, such as buys or sells of securities, on behalf of the account without prior client authorization in order to meet the account objectives.

Should the client desire an account to be managed in a non-discretionary manner, thereby restricting execution of any or all transactions to occur following client approval, the firm in its discretion has the authority to either terminate the account or continue to manage the account under a higher asset-based fee. Further, the client is hereby informed that before the firm is able to implement an investment decision on behalf of an account, such as a purchase or sale of a security, the client must grant the firm the authority to do so and the client must make themselves available and keep the firm apprised of their current contact information so that transaction instructions can be efficiently effected on their behalf.

Item 17 - Voting Client Securities

Proxy Voting

The firm does not vote client proxies nor does it offer advice on how to vote proxies. Clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to the client's

investment assets. Should the client seek advice on how to vote the proxies they receive, they may contact the firm for a telephone or personal consultation, for which the current hourly rate will apply.

Other Corporate Actions

The firm will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

Firm's Receipt of Materials

If the firm receives correspondence for a client relating to the voting of their securities, class action litigation, or other corporate actions, it will typically forward the correspondence to the client or another entity (i.e., client counsel, etc.) if so directed.

Item 18 - Financial Information

Balance Sheet

With the exception of the firm having the ability to withdraw its advisory fees through the engagement of a qualified, unaffiliated custodian, the firm will not have custody of client assets (as described in Item 15). This includes its policy of not collecting fees from a client of \$1,200 or more for services to be performed six months or more in advance.

Due to the nature of the firm's services and operational practices, an audited balance sheet is not required nor included in this brochure.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

The firm and its management do not have a financial condition likely to impair their ability to meet commitments to clients.

Bankruptcy Petitions during the Past 10 Years

The firm and its management have not been the subject of a bankruptcy petition at any time during the past 10 years.