

**Item 1 – Cover Page**

**Part 2A Appendix 1  
Wrap Fee Program Brochure**

**MLG Wealth Management, Inc.  
Doing Business as Pine Grove Financial Group**

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of MLG Wealth Management, Inc. doing business as Pine Grove Financial Group (also referred to as we, us and PGFG throughout this disclosure brochure). If you have any questions about the contents of this brochure, please contact Matthew L. Gulbransen at 651-714-0323 or [mgulbransen@pinegrovefg.com](mailto:mgulbransen@pinegrovefg.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about PGFG is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for MLG Wealth Management, Inc. or our firm's CRD number 308193.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

Since the last amendment was made in September 2020, there have been no material changes made to this ADV Part 2A Appendix 1 Wrap Fee Program Disclosure Brochure.

We will ensure that you receive a summary of any material changes to this and subsequent Wrap Fee Program Disclosure Brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current Wrap Fee Program Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

### Item 3 – Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Services, Fees and Compensation .....	4
Block Trading .....	6
Suitability and Investment Strategy .....	7
Additional Compensation, Economic and Non-Economic Benefits .....	7
Item 5 – Account Requirements and Types of Clients .....	8
Minimum Account Size .....	8
Types of Accounts .....	9
Item 6 – Portfolio Manager Selection and Evaluation .....	9
Participation in Wrap Fee Programs .....	9
General Description of Other Advisory Services .....	9
Limits Advice to Certain Types of Investments .....	10
Tailor Advisory Services to Individual Needs of Clients .....	11
Performance-Based Fees and Side-By-Side Management .....	11
Methods of Analysis .....	11
Investment Strategies .....	12
Risk of Loss .....	13
Voting Client Securities .....	14
Item 7 – Client Information Provided to Portfolio Managers .....	14
Item 8 - Client Contact with Portfolio Managers .....	14
Item 9 - Additional Information .....	15
Disciplinary Information .....	15
Other Financial Industry Activities and Affiliations .....	15
<i>Registered Representative of a Broker-Dealer</i> .....	15
<i>Dually Registered as an Investment Adviser Representative</i> .....	16
<i>Insurance Agent</i> .....	16
Interest in Client Transactions and Code of Ethics .....	16
Affiliate and Employee Personal Securities Transactions Disclosure .....	17
Account Reviews .....	17
Account Statements and Reports .....	18
Client Referrals .....	18
Financial Information .....	18
Item 10 - Customer Privacy Policy Notice .....	18

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

MLG Wealth Management, Inc. doing business as Pine Grove Financial Group is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) and is a corporation formed under the laws of the State of Minnesota.

PGFG offers asset management services through a wrap fee management program. In our wrap fee management program, clients may elect to pay expenses under a “traditional” payment option meaning that advisory services are provided for a fee but transaction services are billed separately on a per-transaction basis, or may elect the bundled “wrap fee” payment option meaning that advisory services (including asset management) and transaction cost (including ticket charges) are provided for one fee. Our Asset Management Services are considered a wrap fee program. Whenever a fee is charged for services described in this Wrap Fee Program Brochure, we will receive all or a portion of the fee charged.

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

You should discuss the advantages and disadvantages of fee-based and commission-based accounts with your adviser representative and you should read this Wrap Fee Disclosure Brochure carefully as it explains, in detail, our Asset Management Services.

### **Asset Management Services**

PGFG offers asset management services, which involves PGFG providing you with continuous and ongoing supervision over your accounts. The PGFG Asset Management Services Program is a wrap fee program. In providing asset management services, PGFG will continuously monitor your account and make trades in your accounts when necessary. Your account will be managed by PGFG based on your financial situation, investment objectives and risk tolerance. PGFG will actively monitor your account and will make management recommendations and decisions regarding buying, selling, reinvesting or holding securities, cash or other investments.

We recommend that your assets to be allocated to our Asset Management Services Program be maintained in a brokerage account with Charles Schwab, an SEC registered broker/dealer and member NYSE/SIPC. Schwab is the qualified custodian for all accounts established through our Asset Management Services Program. Schwab has eliminated commissions for online trades of equities, ETFs and options (subject to \$0.65 per contract fee). This means that, in most cases, when we buy and sell these types of securities, we will not have to pay any commissions to Schwab. We encourage you to review Schwab’s pricing to compare the total costs of entering into a wrap fee arrangement versus a non-wrap fee arrangement. If you choose to enter into a wrap fee arrangement, your total cost to invest could exceed the cost of paying for brokerage and advisory services separately. To see what you would pay for

transactions in a non-wrap account please refer to Schwab's most recent pricing schedules available at [schwab.com/aspricingguide](https://schwab.com/aspricingguide). You will appoint PGFG as your investment adviser of record on specified accounts. Your account will consist only of separate account(s) held by the qualified custodian under your name. **PGFG does not act as custodian and does not have direct access to your funds and securities except to have advisory fees deducted from your account with your prior written authorization.** The qualified custodian will maintain physical custody of all funds and securities of your Account, and you will retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) for your account.

When providing asset management services, PGFG maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. You must provide us with written authorization to exercise this discretionary authority, and you can place reasonable restrictions and limitations on our discretionary authority.

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

The annual fee for asset management services will range up to a maximum of 1.25%

There is a minimum account size of \$250,000.

There is a minimum account size of \$250,000. **See Item 5 for more details.**

The only compensation received by PGFG for asset management services is the annual fee as specified in the client's advisory services agreement. PGFG receives no other forms of compensation in connection with providing asset management services.

We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. PGFG believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering

similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Each client participating in our Asset Management Services will have the option to elect whether or not to bundle the transaction ticket fees that are charged by the qualified custodian as part of the fee for asset management services. If you elect to have transaction ticket fees that are charged by the qualified custodian bundled with the fee for our Asset Management Services, then the transaction ticket fees charged by the qualified custodian will be billed directly to PGFG by the qualified custodian for your account. If you elect not to bundle the transaction ticket fees charged by the qualified custodian with the fee for asset management services, then the transaction ticket fees will be billed directly to your account by the qualified custodian. PGFG will not receive any portion of such transaction ticket fees.

The fees not included in the advisory fee for our wrap services are charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), fees for trades executed away from the custodian, mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. You may incur certain charges imposed by third parties other than PGFG in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by PGFG are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

The asset management services continue in effect until terminated by either party (i.e., PGFG or you) by providing written notice of termination to the other party. Any prepaid, unearned fees will be promptly refunded by PGFG to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

### **Block Trading**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when PGFG believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

PGFG uses the average price allocation method for transaction allocation.

Under this procedure PGFG will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which PGFG or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

### **Suitability and Investment Strategy**

PGFG will assist clients in determining their objective(s), investment strategy, and investment suitability, prior and subsequent to opening an Asset Management account. Clients must contact us to notify of any changes in their investment objective(s) and/or financial situation. Investment strategies used to implement investment advice include, but are not necessarily limited to, long term purchases (investments held at least a year); and short term purchases (investments sold within a year).

### **Additional Compensation, Economic and Non-Economic Benefits**

PGFG recommends that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. PGFG is independently owned and operated and not affiliated with Schwab. Schwab provides PGFG with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For PGFG client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to PGFG other products and services that benefit PGFG but may not benefit its clients' accounts. These benefits may include national, regional or PGFG specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of PGFG by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist PGFG in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate

payment of PGFG's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of PGFG's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to PGFG other services intended to help PGFG manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to PGFG by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to PGFG. While, as a fiduciary, PGFG endeavors to act in its clients' best interests, PGFG's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to PGFG of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

In addition, our representatives are also registered representatives of PKS Investment Services, a securities broker-dealer. You may work with your investment adviser representative in his or her separate capacity as a registered representative of PKS Investment Services. When acting in his or her separate capacity as a registered representative, your investment adviser representative may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, your investment adviser representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use PKS Investment Services and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use PKS Investment Services. Prior to effecting any such transactions, you are required to enter into a new account agreement with PKS Investment Services. The commissions charged by PKS Investment Services may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

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

### **Minimum Account Size**

PGFG requires a minimum of \$250,000 to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum for the relationship of the client to the representative.



## **Types of Accounts**

PGFG generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals

You are required to execute a written agreement with PGFG specifying the particular advisory services in order to establish a client arrangement with PGFG.

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

PGFG and its Investment Adviser Representatives act as the portfolio manager(s) for accounts receiving our Asset Management Services. Our Asset Management Service is considered a wrap fee program. For this service, we do not allow the use of portfolio managers that are not associated with PGFG. In other words, the only portfolio managers selected for managing client assets for our Asset Management Services are Investment Adviser Representatives of PGFG. Therefore, conflicts of interest present in other wrap fee programs that make available both affiliated and unaffiliated portfolio managers are not present in our wrap fee program. Because our Asset Management Services program does not provide for outside portfolio managers, we do not have procedures designed to select outside portfolio managers.

## **Participation in Wrap Fee Programs**

PGFG offers asset management services, through our Asset Management Services Program, which is a wrap fee management program. In our wrap fee management program, you may elect to pay expenses under a “traditional” payment option meaning that advisory services are provided for a fee but transaction services are billed separately on a per-transaction basis, or you may elect the bundled “wrap fee” payment option meaning that advisory services (including portfolio management or advice regarding selecting other investment advisers) and transaction services are provided for one fee. Our Asset Management Services are considered a wrap fee program. Whenever a fee is charged to a client for services described in this Wrap Fee Program Brochure, we will receive all of a portion of the fee charged.

From a management perspective, there is not a fundamental difference in the way we manage accounts that have elected the traditional payment option versus those that have elected the bundled wrap fee payment option. The only significant difference is the way in which transaction costs are paid.

## **General Description of Other Advisory Services**

The following are descriptions of the primary advisory services of PGFG. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and PGFG before we can provide you the services described below.

**Financial Planning Services** - PGFG offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics: Investment Planning, Retirement Planning, Insurance Planning, Tax Planning, Education Planning, Portfolios Review, and Asset Allocation. When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. Written financial plans prepared by us under this Agreement do not include specific recommendations of individual securities.

Our financial planning services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning recommendations. To the extent that you would like to implement any of our investment recommendations through PGFG or retain PGFG to actively monitor and manage your investments, you must execute a separate written agreement with PGFG for our asset management services.

**Referral of Third-Party Money Managers** - PGFG offers advisory services by referring clients to a third-party money manager offering asset management and other investment advisory services. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary. As a result of the referral, we are paid a portion of the fee charged and collected by the third-party money managers in the form of solicitor fees. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

Under this program, we assist you with identifying your risk tolerance and investment objectives. We recommend third-party money managers in relation to your stated investment objectives and risk tolerance, and you may select a recommended third-party money manager or model portfolio based upon your needs. You must enter into an agreement directly with the third-party money manager who provides your designated account with asset management services.

We are available to answer questions that you may have regarding your account and act as the communication conduit between you and the third-party money manager. The third-party money manager may take discretionary authority to determine the securities to be purchased and sold for your Account. We do not have any trading authority with respect to your designated account managed by the third-party money manager.

Although we review the performance of numerous third-party investment adviser firms, we enter into only a select number of relationships with third-party investment adviser firms that have agreed to pay us a portion of the overall fee charged to our clients. Therefore, PGFG has a conflict of interest in that it will only recommend third-party investment advisors that will agree to compensate us for referrals of our clients.

Clients are advised that there may be other third-party managed programs not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm.

## **Seminars**

PGFG may occasionally provide seminars in areas such as financial planning, retirement planning, estate planning and college planning. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants.

## **Limits Advice to Certain Types of Investments**

PGFG provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Corporate Debt Securities
- Variable Annuities
- Variable Life Insurance

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

### **Tailor Advisory Services to Individual Needs of Clients**

PGFG's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Performance-Based Fees and Side-By-Side Management**

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. PGFG **does not charge or accept performance-based fees.**

### **Methods of Analysis**

PGFG uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a

security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, PGFG gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

### **Investment Strategies**

PGFG uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a “buy and hold” strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client’s goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

## **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company’s employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

### **Voting Client Securities**

PGFG does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by a third-party money manager, we will not vote the proxies associated with these assets. You will need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting PGFG at the address or phone number indicated on Page 1 of this disclosure document.

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

Only Investment Adviser Representatives of PGFG serve as portfolio managers for our Asset Management Services Program. Our associated Investment Adviser Representatives are responsible for gathering all information provided by you. We will interview and work with you to gather all information needed relative to your investment objectives and needs in order to provide management services through our Asset Management Services Program. You are responsible for promptly contacting your Investment Adviser Representative to notify us of any changes to your financial situation that will impact or materially influence the way we manage your accounts. Since we do not use any outside portfolio managers, we do not share your information with any outside portfolio managers.

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

Only Investment Adviser Representatives of PGFG serve as portfolio managers for our Asset Management Services Program. There are no restrictions placed on your ability to contact and consult

with their portfolio managers. It is the policy of PGFG to provide for open communications between the Investment Adviser Representatives and clients. You are encouraged to contact your Investment Adviser Representative whenever you have questions about the management of your account(s).

## **Item 9 - Additional Information**

### **Disciplinary Information**

We have no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or the integrity of our management.

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

PGFG is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with PGFG.

### **Registered Representative of a Broker-Dealer**

Matthew Gulbransen and Michelle Campbell are also registered representatives of PKS Investment Services, a securities broker-dealer. You may work with your them in his or her separate capacity as a registered representative of PKS Investment Services.

As a result of this relationship, PKS Investment Services may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about clients of PGFG, even if a client does not establish any account through PKS Investment Services. If you would like a copy of the privacy policy of PKS Investment Services, please contact your investment adviser representative.

When acting in his or her separate capacity as a registered representative, they may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, they may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which they will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use PKS Investment Services and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use PKS Investment Services. Prior to effecting any such transactions, you are required to enter into a new account agreement with PKS Investment Services. The commissions charged by PKS Investment Services may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

### **Dually Registered as an Investment Adviser Representative**

The representatives of PGFG are also licensed as investment adviser representatives with AdvisorNet Wealth Management. PGFG and AdvisorNet Wealth Management are not affiliated. Through AdvisorNet Wealth Management, the representatives provide asset management services as well as referrals to Third Party Manager/Sub-Advisers. They earn advisory fees when providing these services through AdvisorNet Wealth Management. Therefore, you could receive advisory services from one individual acting as an investment adviser representative on behalf of two separate registered investment advisors. If the representatives of PGFG provide asset management or referral services to you, you will be given the disclosure brochure of AdvisorNet Wealth Management describing the services provided, fees charged and other information. You are encouraged to read and review the disclosure brochures for both PGFG and AdvisorNet Wealth Management and direct questions to your representative.

### **Insurance Agent**

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative in his or her separate capacity as an insurance agent, may suggest that you implement recommendations of PGFG by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

### **Seminar Marketing System Sales**

Matthew Gulbransen has developed a practice improvement seminar marketing system which he offers to other financial professionals. He spends less than 10% of his time on this activity.

### **Interest in Client Transactions and Code of Ethics**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. PGFG has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as "supervised



persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. PGFG requires its supervised persons to consistently act in your best interest in all advisory activities. PGFG imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of PGFG. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

PGFG or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of PGFG that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. PGFG and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of PGFG.

Any associated person not observing our policies is subject to sanctions up to and including termination.

### **Account Reviews**

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Mathew L. Gulbransen, with reviews performed in accordance with your investment goals and objectives.

Accounts established and maintained with other third-party money managers are reviewed at least quarterly, usually when statements and/or reports are received from the money manager.

## **Account Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. Additionally, PGFG may provide position or performance reports to you quarterly and upon request.

Whether reports by an outside money manager are provided to you will depend upon the outside money manager.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

## **Client Referrals**

PGFG does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services. PGFG receives no other forms of compensation in connection with providing investment advice.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above. The availability of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **Financial Information**

PGFG does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, PGFG has not been the subject of a bankruptcy petition at any time.

## **Item 10 - Customer Privacy Policy Notice**

Regulation S-P, Privacy of Consumer Financial Information, requires financial institutions, including PGFG, to provide notice to current clients and prospective clients about their policies and practices concerning the collection and use of customer, non-public information. This privacy policy notice is given to all prospective clients of PGFG upon entering into a contract with PGFG and annually thereafter.

**Privacy Disclosure Statement.** A primary goal of PGFG is to protect the privacy of its clients. PGFG does not sell the personal information of clients to anyone.

To conduct regular business, PGFG may collect nonpublic personal information from clients. This information is provided by clients to PGFG on applications and other forms provided by clients to PGFG as well as transactions with the firm, our affiliates, or others.

PGFG may enter into contracts with outside third parties so that PGFG can assist its clients in servicing their accounts. In order to do this, PGFG will disclose personal information to companies that help PGFG

process transactions for client accounts (for example, executing client trades at through a broker/dealer). However, PGFG does not share or disclose any nonpublic customer information except as allowed or required by law. In addition to sharing information in order to provide financial services to clients, PGFG may be required to disclose personal information to cooperate with regulators or law enforcement authorities, to resolve customer disputes, or for risk control.

**Information Safeguarding.** PGFG has implemented strict policies and procedures aimed at protecting the sensitive nature of client information. PGFG restricts access to client information to only those members of PGFG that must provide products and services to clients in order to service client accounts. PGFG has implemented physical, electronic, and procedural safeguards aimed at meeting PGFG's duty to protect nonpublic client information.

If you have any questions concerning PGFG's customer privacy policy or concerns about your personal information please feel free to contact us at 651-714-0323.