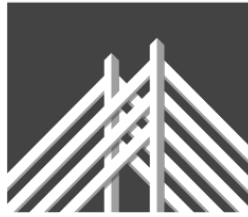


**Firm Brochure  
Part 2A of Form ADV**

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**CAMBRIDGE**  
FINANCIAL GROUP

**CAMBRIDGE FINANCIAL GROUP, LLC.**

**6700 N. Oracle Rd. Ste 324**

**Tucson, AZ 85704**

**520.531.0550 or 888.705.5692**

**[www.cambridgefinancialgroup.com](http://www.cambridgefinancialgroup.com)**

**March 3, 2023**

This Brochure provides information about the qualifications and business practices of Cambridge Financial Group, LLC. If you have any questions about the contents of this Brochure, please contact us at: 520-531-0550 or by email at: [Bonnie@cambridgetucson.com](mailto:Bonnie@cambridgetucson.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.

Cambridge Financial Group, LLC is a SEC registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training. Additional information about Cambridge Financial Group, LLC is available on the SEC's website at [www.Adviserinfo.sec.gov](http://www.Adviserinfo.sec.gov).

## **Item 2 - Material Changes**

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### **Annual Update**

Brochure will be updated annually, or when material changes occur since the previous release of the Firm Brochure. If there are no material changes, Cambridge Financial Group will offer to deliver the current Form ADV Part 2 to clients within 120 days of the end of our fiscal year. We will further provide other ongoing disclosure information about material changes, as required as well as provide you with a new Brochure as necessary based upon material changes or new information, at any time, without charge.

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### **Material Changes since the Last Annual Update**

Since the Firm's last ADV Annual Update Amendment of March 7, 2022, the Firm had the following change:

- Bonnie Courtney became the Chief Compliance Officer for Cambridge Financial Group.

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### **Full Brochure Available**

Our Brochure may be requested anytime by contacting Bonnie Courtney or Alicia Klein at 520-531-0550. Brochures are provided free of charge.

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#### **Item 4 – Advisory Business**

CAMBRIDGE FINANCIAL GROUP, LLC. ("CFG") is a fee-only financial planning firm that provides holistic financial planning and investment advisory services to individuals and families. Penny Marchand and Alicia Klein are principal owners of the Firm, which was established in September 2001. Cole McClarren and Bonnie Courtney also have ownership interests in CFG. CFG does not sell insurance or investment products and does not accept commissions for any product recommendations.

CFG offers a wide range of financial services. Specifically, CFG provides financial planning and investment services to meet a client's investment needs, as well as tax, estate planning, risk management, and retirement planning.

When performing investment management services, Clients authorize CFG with discretionary authority in the agreement they sign with CFG. Discretionary authority allows CFG to execute investment recommendations, as well as select and retain sub-advisers to the account without seeking prior approval from the client each time a trade is made.

The investment strategies utilized, and portfolios constructed and managed depend on the confidential information provided by the client to CFG. Model portfolios may be used as a part of the investment strategy; however, each client has an opportunity to place reasonable restrictions on the type of investments to be held in the portfolio. CFG may periodically rebalance the client's account to maintain the agreed upon asset allocation.

CFG and Client will enter into an agreement which details the scope of the relationship and responsibilities of both CFG and Client. Advice and services provided under the agreement are tailored to the stated objectives of the Client(s). CFG has legacy clients who have existing engagements with the Firm to provide services, which are no longer offered by the Firm, that are different than those described below.

When Cambridge Financial Group's services are subject to the provisions of ERISA of 1974, as amended, the firm acknowledges that it is a "fiduciary". When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some

conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

In performing its services, CFG provides the following types of engagements:

**1. STANDARD RETAINER:** A Standard Retainer provides Clients with financial counsel and advice, investment management, and personal tax preparation services for a fixed fee over the course of one year. Clients will have scheduled meetings with their adviser, depending on their individual situation. In addition to scheduled meetings, additional face-to-face, e-mail and/or phone consultations are included at no additional charge.

Services provided may include, but are not limited to, the following: tax preparation, tax planning, insurance review, inventory of assets, analysis of financial goals, portfolio analysis, development of an asset allocation strategy, no-load mutual fund recommendations, retirement planning and estate plan reviews. Investment management services are included in a standard retainer engagement.

**Initial Year of Standard Retainer** - Scheduled meeting topics are listed below. CFG will schedule meetings to cover those topics relevant to you, such as:

- Tax preparation
- Budgeting and cash flow
- Tax planning
- Record-keeping
- Inventory of client assets
- Retirement planning
- Portfolio analysis
- Goal setting
- Develop asset allocation strategies
- Estate planning review
- Recommend investments
- Small business planning
- Insurance analysis
- Education planning
- Analysis of employee benefits

**Renewal Years of Standard Retainer** - Typical scheduled meetings:

- Tax planning & Tax preparation

- Goal setting/review
- Investment review/update
- Rebalancing of assets
- Financial planning and/or any financial services as requested or needed by client.

**2. EDGE AHEAD:** The Edge Ahead Agreement is designed for young professionals who have important financial questions and are in the accumulating-assets stage of life. The services included in Edge Ahead are narrower in scope than in a standard retainer engagement and usually focuses on one or more of the following areas: goal setting, asset/liability analysis, cash flow management, savings goals, investment review, budgeting, risk management, and record keeping. The engagement includes a financial review appointment and a simple tax return. Investment management services are included under an Edge Ahead agreement with follow-up advice being provided to monitor the fulfillment of the goals established.

**3. FINANCIAL REVIEWS:** CFG offers Standard Retainer Financial Reviews that are limited in scope, do not consist of investment management or tax preparation services, and consist of a one-time meeting of up to three hours reviewing selected financial planning topics selected in advance by the client.

CFG also offers Edge Ahead Financial Reviews, which are also limited in scope and do not include investment management or tax preparation services to young professionals that consist of a meeting of up to two hours reviewing up to three financial planning topics selected in advance by the client.

No follow-up services are provided with either of the Financial Review engagements. A Financial Review is not a comprehensive financial planning engagement, and as such no follow-up advice and/or implementation assistance is provided, no investment management services are provided, and no tax preparation services are provided with these engagements.

CFG may delegate all, or a portion of, the assets in a client's account to a third-party sub advisor (Asset Dedication, LLC) for ongoing supervision, investment management, and certain back-office services to the account. CFG will determine the target asset allocation, periodically review the account for reallocations, and direct the sub-advisor to rebalance and invest assets, as necessary. Clients are free to accept or reject the use of a third-party sub-advisor for their account at any time. Accounts managed by both

CFG and Asset Dedication are done pursuant to the discretionary authority granted to them by the client.

### **Assets Under Management**

As of December 31, 2022, CFG had approximately \$401,685,763 in assets under discretionary management.

### **Item 5 – Fees and Compensation**

As a fee-only financial planning firm, CFG does not sell insurance or investment products and does not accept commissions because of any product recommendations. The firm does not pay referral or finder's fees, nor does it accept such fees from other firms. Fees are generally not negotiable.

There are legacy clients of CFG who have existing engagements with the Firm to provide services, which are no longer offered by the Firm and, that have fees that are different than those described below.

The fees and payment of those fees is below for each type of engagement.

#### **Standard Retainer**

Initial Year of Standard Retainer: \$5,000 - \$65,000

Renewal Years of Standard Retainer: \$3,500 - \$70,000

Fees are calculated based on the client(s) total income, investible assets, and overall complexity of their financial situation. Total income includes; W-2 wages, social security income, pension income, net profits from self-employment (Schedule C), 50% of rents collected (Schedule E), and K-1 distributions. Excluded from income are Schwab income and IRA distributions. Investible assets include; Retirement Accounts (401Ks, IRAs, Roth), held away retirement accounts, employee stock purchase program assets, vested stock options, and cash savings. Advance written notice is provided to a client before any change in the fee. Retainer fees are paid quarterly in advance. Clients may elect to pay this fee directly by check or credit card, or have the fee deducted from an investment account(s) held at an independent custodian.

*Add-ons, credits, and miscellaneous adjustments:* A charge of \$125 is assessed for each amended tax return prepared, if applicable. A charge of up to \$125 per return is assessed for additional tax returns prepared for dependents of the client. Credits and miscellaneous adjustments may be applied if the client has an adequate estate plan (will

or trust) in place, or for other reasons, as appropriate. Any credits or adjustments will be determined at CFG's sole discretion.

### **Edge Ahead Agreement**

For services under an Edge Ahead Agreement, CFG charges an initial fee and an annual fixed fee for services under this Agreement. CFG's charges an initial fee in the form of a \$1,500 charge for a financial review. In addition to the initial fee, CFG charges an annual fee of 1.5% of Client's gross income, (with a minimum annual ongoing fee of \$2800), which is payable quarterly, in advance, via credit card or check. If Client is comprised of more than one person, the fee is based upon the gross income of both persons. If a client completes an Edge Ahead Financial Review and then enters into the Edge Ahead Agreement, CFG will apply a discount of \$500 to the Client's first annual fee.

If a client wishes to upgrade to the Standard Retainer agreement, they may receive credit toward their Standard Retainer fees for all amounts paid within the prior twelve months.

### **Standard Retainer Financial Review**

The fee for a Financial Review is \$2000. A \$250 deposit, which will be applied to the fee, is due upon booking an appointment with Advisor, with the remainder of the fee due and payable at the time of the appointment with Advisor. Advisor accepts payment by check or credit card. The deposit is refundable only if cancelled 30 days prior to your appointment, less a \$100 processing fee. Clients who enter into an agreement for CFG's Standard Retainer services within thirty days of completion of the Standard Retainer Financial Review will receive full credit towards the Standard Retainer services' fee for the amount paid for the Standard Retainer Financial Review.

### **Edge Ahead Financial Review**

The Edge Ahead Financial Review fee is \$1,500. A \$250 deposit, which will be applied to the fee, is due upon booking with the remainder due and payable at the time of the appointment with Advisor. Advisor accepts payment by check or credit card. The deposit is refundable only if cancelled 30 days prior to your appointment, less a \$100 processing fee. For clients that enter into CFG's Edge Ahead Agreement within thirty days of the completion of the Edge Ahead Financial Review, a \$500 discount will be applied to the Edge Ahead Agreement fee.



### **Sub-Advisor (Asset Dedication) Fee**

When the account, or a portion of the account is managed by Sub-Advisor, Sub-Advisor will separately deduct its fee from the client's account. Sub-Advisor's fee for its management is charged an annual rate of .13% of the Assets Under Management, billed quarterly, in advance, calculated based upon the value of the Assets on the last day of the preceding quarter. The fee for Sub-Advisor is in addition to the fee charged by CFG. The fees are also described in the Sub-Advisor's disclosure documents provided at the time of engagement of the Sub-Advisor.

### **Other Fees and Expenses**

In addition to CFG's fee, clients may incur certain other fees and charges to implement CFG's investment recommendations. Additional charges and fees will be imposed by custodians, brokers, third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes to a client. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. They will generally include a management fee, other fund expenses, and a possible distribution fee. Accordingly, the client should review both the fees charged by the funds and the fees charged by CFG to fully understand the total amount of the fees and to evaluate the advisory services being provided. No portion of these fees is retained by or remitted to CFG.

### **Advance Payment of Fees and Termination**

The client may terminate an engagement by providing written notice within five days of signing a retainer agreement for a full refund of any fees and expenses. After five days, either party may terminate an agreement at any time upon 30 days' written notice. At termination, any prepaid but unearned fees will be promptly refunded to client by CFG. Any fees that have been earned but not yet paid by Client will be due and payable. Whether fees have been earned or unearned will be determined by CFG at CFG's sole discretion.

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

CFG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## Item 7 – Types of Clients

CFG provides its services primarily to individuals and families, including high net worth individuals. We strive to work with people from all different walks of life. As such, we maintain no minimum net-worth or asset requirements.

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

The main sources of information CFG may rely upon when researching and analyzing securities will include traditional research materials such as financial newspapers and magazines, annual reports, prospectuses, filings with the SEC, as well as research materials prepared by others, company press releases and corporate rating services. CFG also subscribes to various professional publications deemed to be consistent and supportive of CFG's investment philosophy.

Moreover, CFG approaches investment portfolio analysis and implementation based on internal factors such as your tax situation, overall risk tolerance, current financial situation, and your personal goals and aspirations. After identifying these items, your portfolio will be structured around your individual needs, while minimizing negative effects of external factors, such as interest rates, market performance, and the economy.

In general, CFG recommends no-load mutual funds (i.e., mutual funds that have no sales fees), exchange traded funds, U.S. government securities, money market accounts, certificates of deposit, and individual bonds (corporate, agency and municipal). However, while providing investment advice, CFG may address issues related to other types of assets that you may already own. Any other products that may be deemed appropriate for you will be discussed, based upon your goals, needs and objectives.

Any investing in securities involves risk of loss that clients should be prepared to bear. While CFG will use its best judgment and good faith efforts in rendering services to client, not every investment decision or recommendation made by CFG will be profitable. CFG cannot warrant or guarantee any level of account performance, or that an Account will be profitable over time. Client assumes all market risk involved and understands that investment decisions are subject to various market, currency, economic, political, and business risks.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CFG or the integrity of CFG's management. CFG has no information to disclose applicable to this Item.

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

Asset Dedication, LLC (SEC Registered Investment Adviser / IARD# 151988) and CFG have an agreement whereby Asset Dedication provides investment management and certain back-office services (Sub-Advisor) to clients of CFG. As referenced in Item 5 of this brochure, each firm is compensated for their respective services by the client. As your investment adviser, we review our recommendations as well as oversee the recommendations made by sub-advisor to ensure that all recommendations meet our client's needs, goals, and objectives. Although the services of the sub-advisor are not available directly to the public, the fees to implement investment recommendations could be lower if clients purchased the same securities outside the managed account platform.

CFG is a member of the Alliance of Comprehensive Planners (ACP). This non-profit organization provides training and support through an alliance of fee-only comprehensive financial advisers. As a member of the ACP, CFG has the right to use proprietary products and systems designed by the ACP. The ACP offers education in the form of in-person, web- and tele-conferences (which may provide continuing education credits) and services produced by collaborative efforts of the fee-only financial advisers.

CFG is also an Associate member of the National Association of Personal Financial Advisors (NAPFA), which requires that its members are fee-only.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

CFG seeks to avoid material conflicts of interest. Accordingly, neither CFG or its investment adviser representatives, or its team members, receive any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms (custodians) or mutual fund companies. However, some additional services and non-direct monetary or other forms of compensation may be offered and provided to CFG because of its relationships with custodian(s) and/or providers of mutual fund

products. For example, CFG's representatives and employees may be invited to attend educational conferences and/or entertainment events sponsored by such brokerage firms or custodians or mutual fund companies. CFG believes that the services and benefits provided to it by brokerage firms (custodians) and mutual fund providers do not materially affect the investment management recommendations made to clients. However, in the interest of full disclosure of any potential conflicts of interest, we discuss the possible conflicts herein.

Although CFG believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate, or at least minimize, potential material conflicts of interest, and to appropriately manage any material conflicts of interest that may remain, clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest. In any event, CFG will disclose to advisory Clients any material conflict of interest relating to CFG, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

#### **Our Code of Ethics**

CFG has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons of CFG must acknowledge the terms of the Code of Ethics annually, or as amended.

#### **Participation or Interest in Client Transactions and Personal Trading**

CFG does not currently participate in securities in which it has a material financial interest. CFG and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest.

CFG or individuals associated with CFG may buy and sell some of the same securities for its own account that CFG buys and sells for its Clients. When appropriate, CFG will purchase or sell securities for Clients before purchasing or selling the same securities for CFG's own account. In some cases, CFG may buy or sell securities for its own account for reasons not related to the strategies adopted by the CFG's Clients. Due to the amount and the type of securities owned this activity presents little to no conflict of

interest with CFG's clients. Nonetheless, because the Code of Ethics permits employees to invest in the same securities as clients, there is a possibility that employees might somehow benefit from the market activity of a client. Accordingly, when applicable, employee trading is monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between CFG and its clients.

CFG will disclose to advisory Clients any material conflict of interest relating to CFG, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice. CFG will notify Clients in advance of its policies in respect to officers trading for their own account including the potential conflict of interest that arises when recommending securities to Clients in which CFG or its principal holds a position.

## **Item 12 – Brokerage Practices**

CFG may use its discretion when recommending a broker-dealer or custodian. Client is not obligated to effect transactions through any broker-dealer or custodian recommended by CFG. When recommending a broker-dealer/custodian the CFG will comply with its fiduciary duty to obtain best execution.

### **Research and Soft Dollars**

CFG receives economic benefits through its custodians that are typically not available to retail investors. These benefits include the following products and services (provided 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 the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; and discounts on marketing, research, technology, and practice management products or services provided by third party vendors. Other services made available by a custodian to CFG are intended to help manage and further develop CFG's business enterprise. As part of its fiduciary duties to clients, CFG endeavors always to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CFG or its related persons in and of itself creates a conflict of interest and may indirectly influence CFG's choice of firms for custody and brokerage services.

### **Aggregation and Allocation of Trades**

Transactions for each client account are executed independently. CFG does not bundle or batch such orders.

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

CFG has several investment adviser representatives (IAR's) who may be assigned as the primary representative to a client's account. The IAR assigned to a client's account will be responsible for the reviews to that account.

### **Periodic Reviews**

Standard Retainer and Edge-Ahead clients receive reviews and recommendations periodically during the term of their engagement with CFG.

### **Review Triggers**

Reviews will typically occur on a quarterly basis. Reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political, or economic environment.

### **Client Reports**

Clients will receive directly from their account's custodian statements no less than on a quarterly basis.

## **Item 14 - Client Referrals and Other Compensation**

CFG is a fee-only financial planning firm and does not sell insurance or investment products, nor does it accept commissions because of any product recommendations. CFG does not pay referral or finder's fees, nor does it accept such fees from other firms.

## **Item 15 – Custody**

CFG will only have custody of assets to the extent it deducts its advisory fees from client accounts and in the use of Standing Letters of Authorizations (SLOA's) for third-party money movement. The Firm will not take possession of client funds or securities.

Clients will receive at least quarterly account statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets detailing

the assets in the account and any transactions-including fee deductions. Clients authorize CFG to directly debit advisory fees from their account in the advisory agreement they sign with the firm.

For SLOA's: All transfers from client custodial accounts to third party accounts will be preceded or accompanied by client written authorization. CFG will ensure that the SLOA will satisfy the requirements needed to avoid the need for the surprise annual audit for third-party money transfers and will contain the specific information needed to avoid custody when using a SLOA for a first-party money transfer.

### **Item 16 - Investment Discretion**

CFG will execute the sale and/or purchase of investments by you on a discretionary basis. Discretion refers to CFG's ability to initiate investment actions in a Client account without obtaining permission from a client each time a transaction occurs. Clients provide CFG with discretionary authority in the agreement they sign with CFG. Some legacy clients may have non-discretionary agreements in place that were signed prior to CFG changing its business practice to offer discretionary services to its clients.

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

Cambridge Financial Group, LLC. does not take any action or render any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which client assets may be invested. In addition, Cambridge will not take any action or render any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. Cambridge will, however, forward to clients any information received by Cambridge regarding class action legal matters involving any security held in client accounts.

### **Item 18 – Financial Information**

Registered investment advisers are required to provide you with certain financial information or disclosures about their financial condition. CFG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. CFG does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance.