

## **Newbridge Financial Services Group, Inc.**

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**March 30, 2023**

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

Newbridge Financial Services Group, Inc. is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Newbridge Financial Services Group, Inc. If you have any questions about the contents of this brochure, please contact us at (954) 334-3450. 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 Newbridge Financial Services Group, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Material Changes - Item 2**

This Section only discusses the material changes since the last annual update of our brochure. The last annual update of our brochure was January 31, 2022 and the following changes have been made since then:

- Item#4 was updated to reflect a change in arrangement with a 3<sup>rd</sup> party, Claraphi Advisory Network, LLC that previously acted as a solicitor for NSFG and now is engaged as a Co-Fiduciary. Please see Item 4 for additional details regarding this arrangement.

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#### Advisory Business - Item 4

Newbridge Financial Services Group, Inc. (hereinafter “NFSG”) is an SEC registered investment adviser based in Boca Raton, Florida. We are a corporation organized under the laws of the State of Florida. NFSG has been registered with the SEC since 2007. The firm’s principal owner is Newbridge Financial, Inc. which is also the parent company to Newbridge Securities Corporation (“NSC”), a securities broker-dealer and member firm of the Financial Industry Regulatory Authority (“FINRA”). Newbridge Financial, Inc. is primarily owned by Guy S. Amico and Scott H. Goldstein.

As of December 31, 2022, we manage \$342,182,388 in Client assets on a discretionary basis, and \$129,788,431 in Client assets on a non-discretionary basis.

We provide the following services:

- **Asset Management Services**
- **Selection of Third-Party Managers**
- **Financial Planning**

The following paragraphs describe what we do and what we charge. Each investment advisory service is listed below and describes how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm.

#### Wrap Fee Program

NFSG’s “wrap fee program” is a program that offers participants a suite of services such as asset allocation; portfolio management; trade execution; and certain administration activities, all for a single fee – typically an asset-based percentage of the account. The wrap fee brochure provides clients with disclosure information about the wrap fee program.

NFSG manages client portfolios on either a discretionary or non-discretionary basis. NFSG receives a portion of the wrap fee for its services. We tailor our advisory services to the individual needs of clients. Investment recommendations are determined based upon the analysis of the client’s investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other suitability factors. Restrictions and guidelines imposed by the client may affect the composition and performance of custom portfolios (as a result, performance of custom portfolios within the same investment objective may differ and the client should not expect that the performance of his/her custom portfolios will be identical to any other individual’s portfolio performance). We then monitor your portfolio’s performance on an ongoing basis and rebalance the portfolio whenever necessary due to changes that occur in market conditions, your financial circumstances, or both.

As referenced above, NSFG offers discretionary and non-discretionary Asset management services to our clients and prospective clients. Discretionary portfolio management services means that once the portfolio has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This authority is granted to us by you in a written agreement. This allows our firm to decide

on specific securities, the quantity of the securities and the execution of buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is done using either the investment advisory agreement you sign with our firm, a limited power of attorney agreement, or trading authorization forms. You may limit this authority by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. The non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

We create your investment portfolio depending upon what we decide would work best for you. Generally, we customize your investment portfolio by investing in a diversified portfolio consisting of equities, exchange traded funds (ETFs) and/or exchange traded notes (ETNs), mutual funds, fixed income securities, and other types of investments as deemed appropriate for your risk profile and investment goals. Our investment approach involves selectively allocating assets among various asset classes in a manner that is consistent with your risk tolerance and return objectives.

### **Selection of Third-Party Managers**

NFSG has entered into agreements with various TPAMs (“Third-Party Asset Managers”) for the provision of certain investment advisory services. NFSG will provide individualized advisory services to their clients through the selection of a suitable TPAMs. Factors considered in the selection of a TPAM include but may not be limited to: i) NFSG’s preference for a particular TPAM; ii) the client’s risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of client assets available for investment. In order to assist clients in the selection of a TPAM, an Associated Person of NFSG will typically gather information from the client about the client’s financial situation and investment objectives.

NFSG may select a TPAM for the management of a portion of or your entire portfolio. Portfolio customization is achieved by blending traditional investment strategies with an allocation to asset classes. The investment strategy may embrace value, growth or contrarian investing styles. Typically, the TPAM will exercise discretion in the management of client accounts. This means that the manager selected will have the ability to buy and sell securities in your account without obtaining your approval.

NFSG has arrangements with three types of TPAMS: Sub-Advisor, Solicitor or Co-Fiduciary. The type of TPAM program will determine the level of service provided by NFSG and the TPAM. NFSG currently recommends the following TPAMS to clients:

#### ***Solicitor TPAMs***

- Bellatore Financial, Inc.
- The Pacific Financial Group

#### ***Sub-Advisor TPAMs***

- Atomi Financial Group Inc., DBA Alternativ Wealth

#### ***Co-Fiduciary TPAMs***

- Claraphi Advisory Network, LLC

**Solicitor TPAMs:** In a Solicitor arrangement, NFSG refers Clients to a TPAM, which is solely and exclusively responsible for providing ongoing investment advisory services and asset management. NFSG is compensated for referring clients as a solicitor to TPAMs for assisting in the establishment and ongoing administration of client's relationship with the TPAM. NFSG does not provide ongoing investment advice or serve as a fiduciary under a solicitor arrangement with a TPAM. Under this arrangement, client enters into an agreement with TPAM only. A Solicitors disclosure would be provided to the client detailing the arrangement between NFSG and TAPM.

**Sub-Advisor TPAMs:** In a Sub-Advisor arrangement, the TAPM is responsible for asset management. NFSG is the primary investment advisor and serves as a fiduciary in accordance with the Investment Advisors Act of 1940. NFSG may recommend specific investments, model portfolios, or strategies as well as conduct ongoing supervision and monitoring of client's portfolio. Clients enter into an agreement with NFSG detailing the roles of the Advisor and the client.

**Co-Fiduciary:** NSFG enters into Co-Fiduciary arrangements with 3<sup>rd</sup> parties. In these arrangements, NSFG is the Investment Advisor and the 3<sup>rd</sup> party is retained by NSFG to serve as the Investment Manager ("IM"). The Investment Advisor and IM are both acting as fiduciaries with respect to the client accounts, meaning they are both required to put the interests of the clients above their own in connection with the management and administration of the account. As the Investment Advisor, NSFG determines the suitability of services to be provided by the IM and the IM will oversee and implement the investment strategies chosen and communicated by NSFG on a discretionary basis for the benefit of NSFG's clients.

You may obtain a copy of a TPAMs Form ADV Part 2A by visiting <https://adviserinfo.sec.gov/> or upon request from the TPAM.

## **Financial Planning**

A financial plan is a comprehensive statement of an individual's long-term objectives for security and well-being and a detailed savings and investing strategy for achieving those objectives. Clients purchasing this service will receive a written report detailing a financial plan designed to reach his or her stated financial goals. Implementing the financial plan is solely at the client's discretion.

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

### **Asset Management Fees**

NFSG is compensated for our advisory services by assessing annual fee up to 2% based on client's assets under management. The specific fee is identified in the advisory agreement between NFSG and client. NFSG may impose a minimum annual charge of \$250.

We impose an account minimum of \$25,000. NFSG may allow client accounts to be aggregated for fee calculations and to achieve the minimum.

Asset management fees are billed monthly in arrears based on the average daily balance of the previous month and are deducted from the client's account. The account custodian will provide client with a monthly statement reflecting the deduction of our advisory fee. If you choose to terminate our service, our management fee will be pro-rated for the month in which the cancellation notice was given.

### **Financial Planning and Consulting Fees**

NFSG's fees for financial planning and/or consulting services are determined based on the nature of the services being provided and the complexity of each Client's circumstances. NFSG typically charges an hourly fee, a onetime flat fee or an annual flat fee for financial planning services and/or consulting services. However, for consulting services, IAIM reserves the right to charge an annual fee based on a percentage of the Client's investment assets.

### **Soliciting for Third Party Asset Managers**

NFSG will not directly charge its clients for advisory services pertaining to the referring clients to TPAMs. Rather, the third-party managers that are managing the client's assets will charge the fees for the services provided. NFSG will enter into all appropriate agreements whereby NFSG will receive a portion of the fees charged to the client.

### **Sub-Advisor Third Party Asset Managers**

Sub-Advisor TPAMs bill NFSG, not client accounts. Part of the fee the client has agreed to pay NSFG for Asset Management could be used to compensate sub-advisor TPAMs.

### **Co-Fiduciary Third Party Asset Managers**

Fees will be assessed monthly or quarterly in arrears based on the total ending value of all the Accounts on the last date of the preceding month. Investment Advisor shall inform Investment Manager of the agreed upon fee it will collect from the Client. Investment Manager will distribute Investment Advisor's fees promptly following actual receipt of same. Fees for this service can range from 0.15% to 0.20% of assets under management and will be paid on the last day of the preceding month. TPAMs utilize the services of additional third party managers of which charge additional fees that may not be included in the fees noted above.

### **Additional Fees and Expenses**

In addition to our advisory fees, clients are responsible for other fees and expenses charged by custodians and imposed by affiliated broker dealer. Fees include, but are not limited to, corporate actions adjustments, reorganization, ACAT fees, stock certificate services and any transaction related fees that may be imposed by the custodian or broker dealer. All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders which are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee.

**Compensation for the Sale of Securities or Other Investment Products**

Associated Persons who provide investment advice on behalf of our firm are also registered representatives with our affiliated broker-dealer, NSC. NSC is a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA"). As a Broker Dealer, NSC may receive commission-based sales concession for buying and selling securities. This concession is separate and in addition to NFSG's advisory fees. NFSG's advisory clients are not obligated to purchase the products or services of NSC. You may purchase or sell securities separately from your NFSG advisory account at any brokerage firm of your choice other than NSC.

NFSG utilizes mutual funds in some investment strategies. Some share classes include additional compensation to the firm such as 12b-1 trails. NFSG does not allow adviser representatives to receive the additional compensation from 12b-1 fees, therefore, adviser representatives have no financial interest in the choice of share classes. There may be other share classes in any given fund with no 12b-1 fees and lower annual fees. NFSG uses its best efforts to find the most efficient share class when available for its investment strategies, such as share classes designed for fee-based accounts. NFSG periodically reviews mutual fund positions and may recommend clients to convert to a more efficient or cost-effective share class.

We may recommend that you purchase a new security issue to be included in your investment portfolio(s). Associated Persons of our firm may earn commissions on the sale of these types of securities as registered representatives of NSC. Some products have the option to be purchased net commission, NAV, or at a discount in advisory fee-based accounts. Other products may be issued at NAV or at a price determined by an issuer in which case NFSG, affiliated broker dealer or representative may receive compensation. See Item 10 for important disclosures regarding conflicts of interest and Item 12 regarding affiliated brokerage firm.

**Insurance Agents:** Associated Persons who provide investment advice on behalf of NFSG may also be licensed insurance agents. As an insurance agent, an Associated Person may receive commission-based compensation for sale of insurance products. This commission compensation is separate and in addition to NFSG's advisory fees. Advisory clients are not obligated to purchase insurance products or services offered by an Associated Person of NFSG.

The sale of mutual funds, annuity contracts, insurance instruments and other commission products offered by Associated Persons of NFSG are intended to complement NFSG's advisory services. However, a conflict of interest exists due to the receipt of dual forms of compensation. Principals of NFSG regularly review client transactions to ensure that NFSG is acting in the best interest of its clients.

NFSG recommends many types of securities, including mutual funds to its advisory clients. Where NFSG does recommend a mutual fund to an advisory client, NFSG will generally recommend a no-load mutual fund. In situations outside of NFSG's advisory accounts where Associated Person(s) acting in the capacity of a registered representative of NSC recommends a mutual fund, both no-load and 'loaded' funds options will be presented to the client. It may be the case that NFSG will receive advisory fees in addition to commissions and/or markups on securities.



Mutual Funds, ETFs, and Closed-ended Funds typically have internal fees and costs which are not assessed by NFSG and will not appear on NFSG statements. We encourage you to consult your advisor and the fund prospectus for more information regarding their fees

All conflicts of interest between you and NFSG, and the Associated Persons of our firm, are outlined in this Disclosure Brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated Disclosure Brochure.

### **Retirement Plans and Individual Retirement Accounts**

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.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Put your financial interests ahead of ours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

For more information about our services, compensation, and additional information about conflict of interest, please see other sections as applicable and Form CRS.

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

NFSG does not charge performance-based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets.

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

We offer investment advisory services to individuals, high net worth individuals, pension and profit-sharing plan participants, trusts, estates, charitable organizations, and business entities.

We require a minimum of \$25,000 to open and maintain an advisory account. We may, at our sole discretion, waive this requirement.

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

The following are different methods of analysis that we may use when providing you with investment advice:

- Cyclical Analysis – A form of fundamental analysis involving the process of making investment decisions based on the different stages an industry is at during a given point in time. The type of position taken will depend on firm specific characteristics, as well as where the industry is at in its life cycle.
- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

We may use one or more of the following investment strategies when advising you on investments:

- Long Term Purchases – securities held for over a year.
- Short Term Purchases – securities held for less than a year.
- Trading – securities held for less than 30 days.

The investment advice provided along with the strategies suggested by NFSG will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you considering your experience, objectives, financial resources, and other relevant circumstances.

Under TPAM arrangements, each TPAM may have its own methods of analysis, investment strategies and unique investment risks.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments you intend to invest in.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested.

Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Our investment advice and strategies vary and are dependent upon each client's specific financial situation, goals, and objectives. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

#### Disciplinary Information - Item 9

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. While NFSG has not specifically been the subject of any material disciplinary events, its affiliated broker-dealer, Newbridge Securities Corporation has been the subject of various industry related disciplinary actions, of which some are considered to be material events, resulting in fines, suspensions, and other actions taken against the firm, its principals and owners. To view the full disciplinary and other history of Newbridge Securities Corporation, please visit <https://brokercheck.finra.org/> for details or contact NFSG. In addition, any disciplinary information related to your specific Investment Adviser Representative ("IAR") will be found in the brochure supplement you will receive separately upon opening of any account, <https://adviserinfo.sec.gov/> or whenever requested.

#### Other Financial Industry Activities and Affiliations - Item 10

Newbridge Financial Inc., a financial service holding company, is the parent company to Newbridge Financial Services Group, Inc. and Newbridge Securities Corporation, a broker-dealer. Newbridge Financial Securities Group, Inc. is also affiliated with Bridge Line Advisors LLC, an Exempt Reporting Adviser which is the asset manager of Bridge Line Ventures, LLC's series of venture capital funds.

### **Registrations with Broker-Dealer**

Our affiliate, Newbridge Securities Corporation ("NSC") is registered as a broker-dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Associated Persons of NFSG are also registered principals and/or representatives with NSC. As dually licensed representatives, Associated Persons will receive commissions from the purchase and sale of securities and annuity products. This commission revenue is separate and in addition to revenue received from advisory fees. This arrangement represents a conflict of interest due to the receipt of both advisory and commission compensation. NFSG has policies and procedures in place to monitor all client transactions. Where NFSG finds an Associated Person has not acted in the best interest of the client, NFSG may cancel the transaction. Alternatively, NFSG may deduct the commission costs from the advisory fee paid by the client. In any event, all client transaction costs will be disclosed to the client.

### **Exempt Reporting Adviser and Unregistered Venture Capital Funds**

Our affiliate Bridge Line Advisors LLC ("BLA") is a Delaware limited liability company, is the Manager of the Bridge Line Ventures, LLC Funds (the "Funds"). BLA is responsible for the day-to-day operations of the Funds, and has complete discretion over the Funds, including the authority to (i) originate, analyze, and recommend investment opportunities to the Funds that are consistent with the purpose of the Funds, (ii) structure investments, (iii) identify funding sources for Portfolio Companies, (iv) supervise the preparation and review of documentation relating to the acquisition, financing, and disposition of investments, (v) monitor and evaluate investments, and (vi) provide such other services related thereto as the Manager may reasonably request.

Bridge Line Ventures, LLC, a Delaware limited liability company and is made up of non-voting Interests for the purpose of making separate and distinct venture capital and growth equity investments, directly or indirectly, in leading specific seed-stage, early-stage, developmental-stage or later-stage private companies, broadly involved in the area known as sustainability and social impact, including without limitation, companies in the energy, water, agriculture, materials sciences, and life sciences industries, as well as other businesses having the intention to generate a measurable, beneficial social or environmental impact alongside a financial return (each, a "Portfolio Company").

The Manager establishes each Series to make a direct investment in a Portfolio Company, to purchase securities in a Portfolio Company from secondary sources, or to invest in interests of investment funds whose investment portfolios are comprised of companies consistent with the Fund's general investment focus. Each Series remains segregated from each other Series.

Members of a Series shall be entitled to the benefits of that particular Series only and shall not be entitled to share in the profits, losses, allocations or distributions of any other Series of which they are not a Member. The Manager will make commercially reasonable efforts to have the securities of a Portfolio Company purchased for the benefit of a particular Series certificated in the name of such Series.

### **Arrangements with Affiliated Entities**

In addition to being registered as a broker-dealer, NSC is also licensed as an insurance agency. Therefore, our Associated Persons may be licensed as insurance agents. As licensed insurance agents Associated

Persons will earn commission-based compensation for selling insurance products. Insurance commissions earned by Associated Persons are separate and in addition to our advisory fees. Please see the "Fees and Compensation" section in this Brochure for additional information.

### **Recommendation of Other Advisors**

We may recommend that you use a third-party investment advisor as part of our asset allocation and investment strategy. NSFG will collect a portion of the compensation received by the third-party investment advisor for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of the third-party advisor. You are not required to use the services of any third-party investment advisor we recommend.

A conflict of interest exists when NFSG directs the Adviser's client to Bridge Line because of the affiliation between Bridge Line and NFSG. However, not all clients will be advised to have their assets managed by Bridge Line and that such recommendation will only occur when it is in the best interest of the client.

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

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

We have adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes policies and procedures developed to protect our client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of our Code of Ethics is available upon request to Patrick Baird, the Chief Compliance Officer at our principal office address and/or phone number listed on the cover of this brochure.

#### **Personal Trading Practices**

At times NFSG and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. NFSG and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase

or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

### **Brokerage Practices - Item 12**

Transactions will be effected through Newbridge Securities Corporation ('NSC') and its clearing firm, by AXOS Clearing LLC ('AXOS'). AXOS and its affiliates will execute transactions on the floors of national and regional securities exchanges where it would be appropriate for the account.

The factors we consider when recommending NSC, include our familiarity with their services, our ability to obtain fair pricing and speed of execution and the due diligence performed by NSC for the securities products it offers.

NSC offers a wide range of securities products for which it performs due diligence prior to selection. The registered representatives of NSC are required to adhere to these products when implementing securities transactions through NSC.

Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer. In addition, NSC provides the advisor with back office operational, technological and other administrative support.

NFSG has a fiduciary duty to its advisory clients and will endeavor to seek best execution when placing trades for clients under the circumstances of each particular transaction. In attempting to achieve best execution, NFSG will not necessarily seek to obtain the lowest commission but rather will seek the best overall qualitative execution.

It is the policy of the NFSG to obtain the best execution of its customers' securities transactions on a best-efforts basis since NFSG does not control trade execution. The firm, through the trading department at its clearing broker, will cause each customer's securities transactions to be executed in such a manner that the customer's total cost or proceeds in each transaction is the most favorable under the circumstances.

A good faith determination will be made that the commissions paid are reasonable in relationship to the value of the services received. The commission schedule will be reviewed periodically and changes to the commission schedule shall be approved by Robert Abrams, the Chief Compliance Officer of NSC.

### **Research and Other Soft Dollar Benefits**

NFSG may receive compensation from a brokerage firm in the form of research, products or services ("soft dollars"). When a firm uses client brokerage commissions to obtain soft dollars, the firm receives a benefit by not having to produce or pay for such items.

Although not considered "soft dollar" compensation, NFSG may receive benefits from NSC for research services to include reports, software, and institutional trading support.

NFSG understands its duty for best execution and considers all factors in making recommendations to clients. These services received from NSC may be useful in servicing all NFSG clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While NFSG may not always obtain the lowest commission rate, NFSG believes the rate is reasonable in relation to the value of the brokerage and research services provided.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers and custodians in which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker-dealer in exchange for client referrals.

#### **Directed Brokerage**

Associated Persons who are registered representatives of NSC are subject to FINRA Conduct Rule 3040 that restricts these registered individuals from conducting securities transactions away from NSC unless NSC provides the representative with written authorization. Therefore, NFSG reserves the right to not accept a client account if the client wishes to select a broker or dealer/custodian other than NSC. Due to the nature of the affiliation with NSC, this brokerage arrangement presents a conflict of interest. NFSG, by directing brokerage to NSC, may be unable to achieve the most favorable execution of client transactions, and therefore clients may pay more for execution services. Additionally, not all investment advisors require their clients to direct brokerage.

#### **Trade Aggregation and Allocation**

Advisory firms may, but are not obligated to combine the purchase or sale of the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as trade aggregation or block trading.

NFSG does not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or “block” client transactions. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to the overall investment strategy.

TPAMs may utilize block trading when used for asset management. Consult advisor and/or TPAM for more information on the TPAMs trading procedures.

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

#### **Portfolio Management Account Reviews**

NFSG regularly monitors the individual investments within NFSG’s portfolio management programs.. Portfolio performance is reviewed, at a minimum, on a quarterly basis. NFSG offers portfolio management clients an in-person portfolio review meeting on an annual basis. Material market, economic, or political events, or changes in a client’s financial circumstances, may trigger more frequent reviews. If the client's account is invested in a portfolio developed by a third party the account will be automatically re-balanced by the third-party custodian and/or money manager without consulting NFSG or the client.

The account reviews are performed by the client's advisory representative. The Chief Compliance Officer and other designated compliance staff monitor the portfolios for investment objectives and other supervisory review.

Clients will receive statements directly from their account custodian(s) on a monthly basis. This statement will show total portfolio value and the securities holdings and activity in the account.

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

##### **Solicitor for TPAMs**

As noted in Item 4, IAIM acts as a solicitor for certain TPAMs. In these solicitor arrangements we refer you as Client to a TPAM, which is solely and exclusively responsible for providing ongoing investment advice and management services to your portfolio. In our role as a solicitor under such an arrangement, IAIM is compensated for referring you to a TPAM to manage your portfolio, and for assisting in the establishment and ongoing administration of your TPAM relationship and portfolio. We do not provide ongoing investment advice or serve as a fiduciary under such an arrangement with respect to management of your portfolio

##### **Solicitor Arrangements**

NFSG and its related persons do not compensate, either directly or indirectly, any person or entity who is not a supervised person of NFSG for client referrals.

##### **Other Compensation**

Our firm or its affiliates offer a wide variety of investments, including but not limited to mutual funds, variable annuities, interests in real estate investment trusts, interests in corporations, partnerships and limited liability companies, as well as other securities products to clients (collectively, "Product(s)"). In certain instances, issuers of the Products sponsor conferences or give presentations to prospective investors on behalf of our firm or Associated Persons of our firms or Registered Representatives of NSC. These conferences are intended to be educational in nature. Such sponsorships do result in compensation to the firm, Associated Person or Registered Representative of NSC for meetings or annual conferences and provide reimbursement for associated travel, lodging, meals or other related expenses. Such compensation allows Associated Persons of our firm or Registered Representatives of NSC the ability to participate in activities that are designed to help educate the Associated Person or Registered Representative of NSC as well as to facilitate the distribution of the Products, such as marketing activities and educational programs.

None of such fees, compensation and/or offsetting expense reimbursements that are associated with arranging and providing such meetings and conferences are paid directly to, or otherwise contingent upon, any Registered Representative of NSC and/or Associated Person of the firm selling the Products.



However, the firm and its Associated Persons/Registered Representatives whose clients invest in the Products will receive a sales commission or advisory fee, as the case may be, based on such applicable Product investment.

#### Custody - Item 15

Client accounts and securities are held at NSC's clearing firm by AXOS Clearing LLC ('AXOS'), a separate custodial institution. Through granting us authority to deduct your investment fee, we are deemed to have custody of funds.

We urge you to compare for accuracy, your quarterly custodial account statements against the statements.

#### Investment Discretion - Item 16

NFSG offers Investment Management/Portfolio Services to its advisory clients on both a discretionary and non-discretionary basis. NFSG will manage client accounts on a discretionary basis if the client has granted discretionary authority in the client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold and do not require advance client approval. However, NFSG does not have the ability to withdraw funds or securities from client's account.

In a non-discretionary account, an Associated Person of NFSG recommends the purchase or sale of securities for review and approval by their clients. NFSG will only purchase or sell securities which have been approved by clients.

Client may limit this authority by setting restrictions on specific securities or the type of securities that can be purchased or sold for your account. Please provide us with your account restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

#### Voting Client Securities - Item 17

##### **Proxy Voting**

NFSG does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### Financial Information - Item 18

We do not require nor ask for prepayment of fees more than six months in advance and more than \$1,200.

We do not have financial commitment(s) or situations that impair our ability to meet contractual and fiduciary commitments. We have not been the subject of a bankruptcy proceeding.

**Requirements for State-Registered Advisors - Item 19**

**This section is intentionally left blank- Our firm is SEC registered.**

**Miscellaneous**

*Privacy Policies*

We view protecting private information as a top priority and pursuant to the requirements of the federal Gramm-Leach-Bliley Act; we have instituted policies and procedures to ensure that customer information is kept private and secure.

We do not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as permitted by law. In the course of servicing a client's account, we may share some information with its service providers, such as custodians or broker-dealers.

We restrict internal access to nonpublic personal information about clients to our employees or investment advisory representatives who provide services to the client. It is our policy to never sell information about current or former customers or their accounts to anyone. It is also our policy not to share information unless required to process a transaction, at the request of a customer or as required by law.

A copy of our privacy policy notice is provided to each client prior to, or at the time the advisory agreement is executed. Thereafter, we deliver annually to our clients, a copy of the current privacy policy notice. If you have any questions on this policy, please contact us at the phone number listed on the cover of this brochure.