

Zanetti Financial, LLC

Form ADV Part 2A Brochure

Zanetti Financial, LLC

5120 San Francisco Dr. NE, Suite A

505-250-3754 gjanetti@live.com

Brochure last updated: March 1, 2023

Firm Web site www.zanettifinancial.com

Firm CRD number 282089

Form ADV Part 2A Brochure

This Form ADV Part 2A brochure provides information about the qualifications and business practices of Zanetti Financial, LLC. If you have any questions about the contents of this brochure, please contact us at 505-250-3754 (gjanetti@live.com) or 505-858-3303 (waltbenson1@outlook.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 Zanetti Financial, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Zanetti Financial, LLC is a registered investment advisor. Registration as an investment advisor does not imply any certain level of skill or training.

Material Changes (Item 2)

This section of the brochure helps you quickly identify material changes from the last annual update.

Zanetti Financial, LLC added Walt Benson as an advisor on October 25, 2021.

Table of Contents (Item 3)

Material Changes (Item 2)

..... 1

Advisory Business (Item 4)

Types of Advisory Services

.....5

Types of Investments Used	5
Tailored Services and Investment Restrictions	6
Assets Under Management	6
Fees and Compensation (Item 5)	
Compensation Methodology and Rates	7
How Clients Pay Advisory Fees	7
Other Types of Fees and Expenses	7
Commission Based Compensation	8
Additional Compensation	9
Performance-Based Fees and Side-By-Side Management (Item 6)	
Types of Clients (Item 7)	9
Methods of Analysis, Investment Strategies, and Risk of Loss (Item 8)	
Methods of Analysis	10
Investment Strategies	10
Risks	11
Disciplinary Information (Item 9)	14
Other Financial Industry Activities and Affiliations (Item 10)	14
Insurance Agent	

.....	14
Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading (Item 11)	14
.....	14
Code of Ethics	14
.....	14
Material Financial Interest and Personal Trading	14
.....	14
Brokerage Practices (Item 12)	15
.....	15
Factors Considered When Recommending Charles Schwab & Co., Inc. as Your Qualified Custodian	16
.....	16
Review of Accounts (Item 13)	19
.....	19
Reviews	19
.....	19
Reports	19
Client Referrals and Other Compensation (Item 14)	19
.....	19
Custody (Item 15)	19
Investment Discretion (Item 16)	20
Voting Securities (Item 17)	20
Financial Information (Item 18)	21
Requirements for State-Registered Advisers (Item 19)	21
Privacy Statement	23

Advisory Business (Item 4)

This section of the brochure tells you about our business, including ownership, and a description of the services we offer.

Zanetti Financial, LLC is referred to in this document as “Zanetti Financial”, “the Company”, “us”, “we”, or “our”. In this document we refer to current and prospective clients of Zanetti Financial as “you”, “client”, or “your”. Zanetti Financial was created in 2015 and is owned by its principal Gregory Zanetti.

Types of Advisory Services

Investment Supervisory Services

Our clients enter into a written Investment Advisory Agreement, where Zanetti Financial and our investment adviser representatives provide asset management services on a continuous and ongoing basis guided by the individual needs of the client. Using the information provided by you, the investment advice provided to you is tailored to your individual situation. We regularly inquire about, and you are responsible for providing, information about your investment goals, time horizon, and risk tolerance. These investment supervisory services are generally not provided to all your holdings or net worth but rather only to assets specifically designated by you and agreed to by us as managed assets.

Advice on Matters Not Involving Securities

Retirement of Employee Benefit Plan Services

In the event that Zanetti Financial, LLC is involved in Retirement or Employee Benefit Plan services as outlined in Section 3(21) of ERISA, the plan sponsor/trustee retains ultimate decision-making authority for the investments and may accept or reject recommendations. If Zanetti Financial acts in this capacity, then the firm will provide advisory services on a non-discretionary basis for employee benefit plans subject to ERISA.

Types of Investments Used

We consider many different types of securities when formulating the investment advice we give to you. If you come to us with existing investments, we evaluate them with respect to your financial goals, risk tolerance, and investment time horizon. Depending upon your situation, your account(s) managed by us may contain individual stocks, corporate and/or government bonds, mutual funds, or exchange traded funds (“ETFs”).

Negatively Correlated Investments

We may invest a portion of your portfolios in negatively correlated mutual funds or ETFs. Negatively correlated mutual funds or ETFs may rise in value while the general stock

market declines and vice versa. We may add these negatively correlated mutual funds or ETFs in an attempt to reduce the volatility of your portfolio. The addition of negatively correlated investments does not in any way guarantee that the volatility, draw down, or loss of portfolio principal will be lower and it may actually reduce long-term portfolio performance.

Tailored Services and Investment Restrictions

We attempt to tailor your investment portfolio to your situation as you have described it to us. This is why it is so important that you let us know about changes to your financial situation, goals, or investment time horizon. You may impose restrictions on investing in certain securities or types of securities. You must clearly identify these restrictions in writing to us.

Assets Under Management

Currently, Zanetti Financial LLC has \$183,000,000 under management.

Fees and Compensation (Item 5)

This section of the brochure describes how we are compensated for the services we offer.

Compensation Methodology and Rates

Assets Under Management

Client will pay Advisor a fee for its investment management services. The fee will be a percentage of the market value of all assets (excluding cash) in the Account on the last trading day of each calendar month. All fees will be payable in arrears for each calendar month on a pro rata basis. The fee schedule is set forth in Schedule A. This fee may be amended from time to time pursuant to an amendment to the contract to be mutually agreed to and signed by both parties. In any partial calendar month, the management fee will be pro-rated based on the number of calendar days that the Account was open during the month. Client understands that all Account assets (except for cash that is not billed upon) not identified as “unsupervised” on the account Custodian’s periodic published statements will be included in calculating the value of the Account for purposes of computing Advisor’s fees and the same assets will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the investor.

Client authorizes the Custodian to deduct from this Account and pay to Advisor the management fee for each calendar year month. The Custodian will send Client a quarterly statement showing all amounts paid from the Account, including all management fees paid by Custodian to Advisor. Fees are negotiable and similar services may be available at a lower rate.

Zanetti Financial charges its asset based fee as follows:

Equities

\$0-\$10,000 000	0.85%
\$10,000,001 and above	0.50%

Fixed Income

0-\$10,000,000	0.20%
\$10,000,001 and above	0.10%

Cash 0%

Your specific annual fee arrangement will be described in the written Investment Advisory Agreement entered into between Zanetti Financial and you. Investment advisory fees charged by us are negotiable at our sole discretion. All clients do not pay the same fee. A lower fee for a comparable service may be available from other sources. Again, the annual fee for our services is billed monthly, in arrears, based on the value of the account at the end of the month. If the management agreement does not span the entire monthly billing period, the fee will be pro-rated based on the number of days the account is open during the billing period. Your account custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account. We urge you to verify the accuracy of the fee calculation as the account custodian will not determine whether the fee has been properly calculated. See Brokerage Practices (Item 12) in this brochure for more information about your account custodian(s).

You may terminate the Investment Advisory Agreement without fee or penalty by providing written notice to Zanetti Financial within five (5) business days from the execution of the agreement. Thereafter, either party may terminate the Investment Advisory Agreement by providing written notice. Any unearned fees collected in advance of services being performed will be returned to you on a *pro rata* basis.

Valuation of Publicly Traded Securities

Publicly traded securities in your account(s) managed by us are held at the custodian that we recommend but is ultimately chosen by you. We use the securities valuation provided by the independent qualified custodian for reporting and billing purposes. Publicly traded securities are usually valued as of the end of business on the last trading day of the calendar quarter. Other securities or investments in the Account will be valued in a manner determined in good faith by Advisor to reflect fair market value. If clients have a dispute regarding fair market value, the dispute will be taken to an arbitrator mutually acceptable by both parties for resolution. Arbitration may not be enforceable in all jurisdictions.

How Clients Pay Advisory Fees

Fees are deducted directly from your account. You must provide your qualified account custodian with written authorization to have fees deducted from the account and paid to Zanetti Financial.

Other Types of Fees and Expenses

In addition to the investment advisory fees you pay to us, you will pay transaction fees (commissions) to your custodian or broker-dealer for executing securities transactions and charges for special services elected by you or Zanetti Financial. These fees may include:

- periodic distribution fees
- electronic fund and wire transfer fees
- certificate delivery fees
- reorganization fees
- account transfer fees (outbound)
- returned check fees
- international security transfer fees
- overnight mail and check fees
- Rule 144 transfer fees
- transfer agent fees

This list is not meant to be all inclusive. Any fee on a special service incurred by the client will be fully disclosed. Please refer to Item 12 of this document for an explanation of our brokerage practices.

Investment Company Fees

Investment company funds (e.g., mutual funds or ETFs) that are held by you will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, distribution fees, and/or shareholder service fees to broker-dealers that offer investment company funds to their clients. These fees affect the net asset value of the fund shares and are indirectly borne by fund shareholders such as you.

Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's

redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account. While it is not the general practice of Zanetti Financial to sell client's securities in a period that would generate a redemption fee we might do so if we believe the sale is in your best interests, or if fund shares must be redeemed to pay fees from the account.

A complete explanation of these charges is contained in the Prospectus and Statement of Additional Information for each investment company fund. You can get a prospectus through the investment company website, by telephone, or by mail.

Commission Based Compensation

Our investment advisor representatives do not receive any commission based compensation related to 12b-1 distribution fees or other sales commissions from investment companies while providing investment advisory services to you.

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

This section of the brochure explains any performance-based fees we may charge you for and how they may be different from other clients' charges.

Zanetti Financial does not charge fees that are based upon a share of capital gains or capital appreciation of client assets.

We provide investment advisory services to other clients in addition to you. Not all clients receive the same investment advice, nor do they pay the same fee. We strive to act in the best interests of each of our clients at all times.

Types of Clients (Item 7)

This section of the brochure describes who we generally provide our services to.

Zanetti Financial provides advisory services to a variety of types of clients including individuals, trusts, individual's pension plan accounts, and retirement plan trustees.

Methods of Analysis, Investment Strategies, and Risk of Loss (Item 8)

This section of the brochure explains how we formulate our investment advice and manage client assets.

Methods of Analysis

Value Investing

As part of our analysis of investments we currently use a deep value method that emphasizes the strength of a company's balance sheet, income statement and statement of cash flows. Factors such as P/E ratio, dividend yield, top and bottom line growth, free cash flow, and strength of the management team are all part of the evaluation process. Zanetti Financial does not invest in accordance with a specific asset allocation model, but rather has adopted a value-style investment philosophy that is reflected in the great majority of client portfolios. We attempt to do this by carefully choosing the proportions of various "value" assets in an investment portfolio. Client portfolios that do not reflect this philosophy are a result of the client's expressed wishes to invest in a different manner. We analyze an investment by examining its publicly available financial statements or reports, its management, competitive advantages, competitors, and markets. We attempt to identify investments that are selling for less than their intrinsic worth. Our fundamental analysis method is based upon the assumption that markets may misprice an investment in the short run but that the "correct" price will eventually be reached. We might not be diversified by asset class. Some positions could be concentrated (as defined as a position greater than 5% of the overall portfolio.) This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock

Inflation Protection Investing

Zanetti Financial also uses an Inflation Protection method of investing that includes investing in assets that have historically outperformed the market during times of currency debasement, rising interest rates, and elevated levels of inflation. Energy, commodity, and short term fixed income vehicles are employed via individual equities and/or ETFs. Inverse market ETFs can also be employed. As with value investing, this presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Investment Strategies

We attempt to adjust our asset allocation advice to over-weight or focus on an asset class or sector of the market that we feel will perform better than others. We strive to buy investments with the goal of holding them as long-term investments, but we might recommend you sell a particular investment if, in our opinion, it is no longer in your best interest to hold.

Risks

General Risks to Investing

Investing is not without risk and involves the risk of loss of principal which you should be prepared to bear. We use several strategies to try to reduce risk, including diversifying a portfolio across sectors and monitoring the portfolio for changes in fundamentals.

Despite these strategies, historical evidence clearly shows that every asset class has experienced severe declines in value—sometimes sustained over many years—throughout several periods of time in history. In addition, each of our strategies to minimize risk may not achieve that goal as the benefits of diversification decline if asset classes become more correlated. As with any investment, you could lose all or part of your investments managed by Zanetti Financial, and your account's performance could trail that of other investments.

Asset Class Risk

Securities in your portfolio(s) or in underlying investments such as mutual funds may underperform in comparison to the general securities markets or other asset classes.

Concentration Risk

To the extent that Zanetti Financial recommends portfolio allocations that are concentrated in a particular market, industry or asset class, your portfolio may be susceptible to loss due to adverse occurrences affecting that market, industry, or asset class.

Equity Securities Risk

Equity securities are subject to changes in value that may be attributable to market perception of a particular issuer or general stock market fluctuations that affect all issuers. Investments in equity securities may be more volatile than other types of investments.

Growth Securities Risk

Growth companies are companies whose earnings growth potential appears to be greater than the market, in general, and whose revenue growth is expected to continue over an extended period. Stocks of growth companies or "growth securities" have market values that may be more volatile than those of other types of investments. Growth securities typically do not pay a dividend.

Issuer Risk

Your account's performance depends on the performance of individual securities in which your account invests. Any issuer may perform poorly, causing the value of its securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline.

Management Risk

The performance of your account is subject to the risk that our investment management strategy may not produce the intended results.

Market Risk

Your account could lose money over short periods due to short-term market movements and over longer periods during market downturns. The value of a security may decline due to general market conditions, economic trends, or events that are not specifically related to the issuer of the security or to factors that affect a particular industry or industries. During a general downturn in the securities markets, multiple asset classes may be negatively affected.

Market Trading Risks

Your investment account faces numerous market trading risks, including the potential lack of an active market for investments held in your account and losses from trading in secondary markets.

Passive Investment Risk

Zanetti Financial may use a passive investment strategy that is not actively managed where we do not attempt to take defensive positions in declining markets.

Larger Company Securities Risk

Securities of companies with larger market capitalizations may underperform securities of companies with smaller and mid-sized market capitalizations in certain economic environments. Larger, more established companies might be unable to react as quickly to new competitive challenges, such as changes in technology and consumer tastes. Some larger companies may be unable to grow at rates higher than the fastest growing smaller companies, especially during extended periods of economic expansion.

Leverage Risk

Certain transactions may give rise to a form of leveraging, including borrowing. Such transactions may include, among others, reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed-delivery, or forward-commitment transactions. The use of derivatives may also create leverage. The use of leverage may cause a portfolio to liquidate portfolio positions when it may not be advantageous to do so. Leveraging may make a portfolio more volatile than if the portfolio had not been leveraged. This is because leverage tends to increase a portfolio's exposure to market risk, interest rate risk, or other risks by increasing assets available for investment.

Liquidity Risk

A security may not be able to be sold at the time desired without adversely affecting the price.

Regulatory Risk

Changes in government regulations may adversely affect the value of a security. An insufficiently regulated industry or market might also permit inappropriate practices that adversely affect an investment.

Smaller Company Securities Risk

Securities of companies with smaller market capitalizations, historically, tend to be more volatile and less liquid than larger company stocks. Smaller companies may have no or relatively short operating histories, or be newly public companies. Some of these companies have aggressive capital structures, including high debt levels, or are involved in rapidly growing or changing industries, or new technologies, which pose additional risks.

Value Style Investment Risk

Value stocks can perform differently from the market as a whole and from other types of stocks. Value stocks may be purchased based upon the belief that a given security may be out of favor. Value investing seeks to identify stocks that have depressed valuations, based upon a number of factors which are thought to be temporary in nature, and to sell them at superior profits when their prices rise when the issues which caused the valuation of the stock to be depressed are resolved. While certain value stocks may increase in value more quickly during periods of anticipated economic upturn, they may also lose value more quickly in periods of anticipated economic downturn. Furthermore, there is a risk that the factors which caused the depressed valuations are longer term or even permanent in nature, and that there will not be any rise in value. Finally, there is the increased risk that such companies may not have sufficient resources to continue as ongoing businesses, which may result in the stock of such companies becoming worthless.

Negatively Correlated Investment Risk

Negatively correlated investments are designed to perform in a manner opposite to that of a particular market index, on a given day (i.e., go up when the market index goes down). The investments do not guarantee any specific performance and may fail to achieve their goal. If these investments are held for more than one day, their performance will diverge from their goal because of internal factors.

Negatively Correlated and Leveraged Funds

Some funds are both negatively correlated and leveraged, which means that they seek to achieve a return that is a multiple of the opposite performance of the underlying index or benchmark. We consider these funds speculative and only use them as part of a actively managed portfolio strategy. In addition, many leveraged and inverse funds are reset daily, meaning they are designed to achieve their stated objectives on a daily basis. If these leveraged negatively correlated funds for greater than one day their performance is expected to diverge from their daily performance goal.

Key Man Risk

We are a small firm with Greg Zanetti performing several key functions. This fact leads to “key man risk,” or the risk that something could happen to Mr. Zanetti that negatively affects your portfolio.

Disciplinary Information (Item 9)

This section of the brochure lists legal and disciplinary information for Zanetti Financial, its owners, and management team.

Neither Zanetti Financial nor any of our owners or management team members has been involved in any civil or criminal investment-related events.

Other Financial Industry Activities and Affiliations (Item 10)

This section of the brochure describes other financial services industry affiliations we may have that could present a conflict of interest with you.

Insurance Agent/Other Affiliations

Greg Zanetti is not insurance licensed and does not offer insurance advice. He has no other affiliations.

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

This section of the brochure describes our code of ethics, adopted pursuant to SEC rule 204A1, and how we deal with client and related person trading.

Code of Ethics

We have adopted a code of ethics designed to prevent and detect violations of securities rules by our employees and affiliated persons. Our controls in this area focus upon securities transactions made by our employees that have access to material information about the trading of Zanetti Financial. We will provide a copy of our code of ethics to clients or prospective clients upon request.

Material Financial Interest and Personal Trading

From time-to-time the interests of the principals and employees of Zanetti Financial may coincide with yours and other clients. Individual securities may be bought, held, or sold by a principal or employee of Zanetti Financial that is also recommended to or held by you or another client. If potential insider information is inadvertently provided or learned by a principal or employee, it is our policy to strictly prohibit its use.

It is the policy of Zanetti Financial to permit the firm, its employees and Investment Advisor Representatives to buy, sell, and hold the same securities that the and Investment Advisor Representatives also recommend to clients. It is acknowledged and understood that we perform investment services for different types of clients with varying investment goals, risk profiles, and time horizons. As such, the investment advice offered to you may differ from other clients and investments made by our and Investment Advisor Representatives. We have no obligation to recommend for purchase or sale a security that Zanetti Financial, its principals, affiliates, employees, or Investment Advisor Representatives may purchase, sell, or hold. When a decision is made to liquidate a security from all applicable accounts, priority will always be given to client orders before those of a related or associated person to Zanetti Financial. In some cases, the trades of the clients and advisory personnel will be combined in a single block trade, and all trades will receive the average price. We have procedures for dealing with insider trading, employee-related accounts, “front running” and other issues that may present a potential conflict when buy/sell recommendations are made. These procedures include reviewing employee security transactions and holdings to eliminate, to the extent possible, the adverse effects of potential conflicts of interest on clients.

Brokerage Practices (Item 12)

This section of the brochure describes how we recommend broker-dealers for client transactions.

Factors Considered When Recommending Charles Schwab & Co., Inc. as Your Qualified Custodian

Zanetti Financial does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, Member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may help you do so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your Brokerage and Custody Costs”).

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange traded funds, etc.)
- Availability of investment research and tools that help us make investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Availability of other products and services that benefit us

Your Brokerage and Custody Costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How We Select Brokers/Custodians").

Products and Services Available to Us From Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide us with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets

at Schwab, Schwab may charge us quarterly service fees of \$1,200. Following is a more detailed description of Schwab's support services.

Services That Benefit You

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond

that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians") and not Schwab's services that benefit only us.

Some of the products or services provided by the Schwab do not qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934, including those services that do not aid in investment decision-making or trade execution.

Brokerage for Client Referrals

Zanetti Financial does not have any agreements in place where securities transactions are directed to particular broker-dealers in exchange for client referrals.

Directed Brokerage

If you direct Zanetti Financial to execute securities transaction at a broker-dealer other than the one we use for our other clients you will forgo any benefit from savings on execution costs that we may have obtained through our negotiation of volume discounts or batched orders. In directing the use of a particular broker-dealer, it should be understood that we will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. You may incur higher commissions, other transactions costs, greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case had you used a broker-dealer we prefer.

Aggregated Orders

When we decide to purchase or sell a specific security for multiple clients at the same time, we will consider aggregating, or combining the orders. This procedure will result in a single average price for all client transactions in the aggregated order. The account custodian charges for each transaction as if it were placed individually.

Allocation of Thinly Traded Securities

Zanetti Financial may allocate securities among accounts when enough of a particular security or securities cannot be purchased or sold on a given day at a desired price. In this event, we will allocate the shares actually purchased or sold on pro rata basis. We may remove small allocations from the process if we believe it would not be in the best interest of our client(s).

Trade Errors Policy

From time-to-time we may make an error in submitting a trade order on your behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of

your account. If an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the gain does not remain in your account and Charles Schwab & Co. Inc. ("Schwab") is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, Zanetti Financial will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

Review of Accounts (Item 13)

This section of the brochure describes how often client accounts are reviewed and by whom.

Reviews

Zanetti Financial reviews the securities held in its clients' investment supervisory accounts on an ongoing basis. The reviews are conducted by Greg Zanetti, Investment Advisor Representative. Your accounts are reviewed at least quarterly for proper asset and sector allocation to assure they comply with your investment objectives and mandates. Reviews may be triggered by changes in a client's personal, tax, or financial status. Macroeconomic and company-specific events may also trigger reviews.

Reports

Zanetti Financial does not prepare or send written reports to all clients. We have arranged for your independent qualified account custodian, Schwab, to prepare and distribute account statements directly to you. These account statements describe all activity in the clients' accounts including account holdings, transactions, and investment advisory fees deducted from the account.

Client Referrals and Other Compensation (Item 14)

This section of the brochure discloses our arrangements with people who are compensated for referring us business.

Zanetti Financial has not entered into any agreements with third parties to give or receive referrals for compensation.

Custody (Item 15)

This section of the brochure encourages you to check the statements sent to you by your account custodian to ensure the accuracy of the fee calculation.

When you hire us you will authorize us to deduct periodic investment advisory fees directly from one or more of your accounts managed by Zanetti Financial. These deductions from your account are shown on the periodic statements sent by your qualified custodian. We will send you a statement describing our fee, how it is calculated and the time period it covers to you each time our fee is deducted from your account. You are encouraged to review these statements carefully and compare the amounts on the custodian statements with any statements we send and the fee schedule outlined in your Investment Advisory Agreement.

Investment Discretion (Item 16)

This section of the brochure discloses the power we have to make trades in your account.

You grant Zanetti Financial a limited power of attorney to select, purchase, or sell securities without obtaining your specific consent within the account(s) you have under our management. The limited powers of attorney are granted in the written Investment Advisory Agreement entered into between us. There are no restrictions upon the securities that may be purchased, sold, or held in your account unless you provide these restrictions to us in writing.

In the event that Zanetti Financial, LLC is involved in Retirement or Employee Benefit Plan services as outlined in Section 3(21) of ERISA, the plan sponsor/trustee retains ultimate decision-making authority for the investments and may accept or reject recommendations. If Zanetti Financial acts in this capacity, then the firm will provide advisory services on a non-discretionary basis for employee benefit plans subject to ERISA.

Voting Client Securities (Item 17)

This section of the brochure explains our proxy voting policy and your ability to get proxy voting information from us.

Zanetti Financial votes proxies for securities held in your investment account, in accordance with management. If the investment account is for a pension or other employee benefit plan governed by ERISA, you direct us not to vote proxies for securities held in the account, because the right to vote such proxies is expressly reserved for you or your plan fiduciary not Zanetti Financial.

Under SEC Rule 206(4)-6 clients can direct votes for particular solicitations. If clients desire their votes to be directed in a certain way, Zanetti Financial, LLC will arrange for the

voting materials to be sent to the clients directly. If clients perceive any conflicts of interest regarding the voting of shares, Zanetti Financial will absent itself from the voting and ensure the clients have the opportunity to vote their shares. If clients wish to know how Zanetti Financial voted any shares, they may contact Greg Zanetti at Zanetti Financial and he will send verification of how the shares were voted. If clients desire further information, Zanetti Financial will assist clients to work with the SEC's EDGAR system to obtain data.

Financial Information (Item 18)

This section of the brochure is where investment advisors that collect more than \$1200 in fees per client and six months or more in advance would include a balance sheet.

Zanetti Financial is not aware of any circumstance that is reasonably likely to impair our ability to meet contractual commitments to you or our other clients. We do not require prepayment of investment advisory fees of greater than \$500 and six months or more in advance.

Requirements for State-Registered Advisers (Item 19)

This section is where state registered advisors disclose any further information required by the state that has not been previously disclosed.

Brochure Supplement

Greg Zanetti

Zanetti Financial, LLC

5120 San Francisco Rd NW Suite A

Albuquerque, NM 87109

505-250-3754 gjzanetti@live.com

Brochure last updated: March 25, 2020

Item 1—Cover Information:

This Brochure Supplement provides information about Gregory J. Zanetti supplements the Zanetti Financial, LLC Brochure. You should have received a copy of that Brochure. If you did not receive the Zanetti Financial Brochure, or if you have any questions about the contents of this supplement, please contact Greg Zanetti at the number above.

Additional information about Gregory J. Zanetti is available on the SEC's website at www.advisorinfo.sec.gov. His CRD Number is 1506346.

Additional information about Walt Benson is available on the SEC's website at www.advisorinfo.sec.gov. His CRD Number is 7459557.

Item 2- Educational Background and Business Experience:

Greg Zanetti (age 63) graduated from the United States Military Academy at West Point in 1980 with a BS in engineering. He earned his MBA from Boston University in 1985. He also earned a Master's Degree in Strategic Studies from the US Army War College (2000).

He started managing money with EF Hutton in 1986 and then went on to become an independent investment advisor with Financial Network in 1991. During his financial career, Greg stayed active in the National Guard and rose to the rank of Brigadier General. In 2008, Greg was deployed to serve as Deputy Commander, Joint Task Force, Guantanamo Bay. The deployment forced the sale of his business.

Upon return from active duty, Greg moved to Washington where he returned to his investment management practice. From 2010 to 2015 he, and his business partners, Randy Talbot and Nathan Talbot, managed their own Registered Investment Advisory firm, Talbot Financial, LLC. In 2015, he formed Zanetti Financial. His primary business location is now in Albuquerque, NM.

Walt Benson graduated from the University of New Mexico in 1998 with a BA, double majoring in Psychology and History. He earned his MA in History from Western Michigan University in 2001 and his MBA from the University of New Mexico in 2009.

He worked at US Eagle Federal Credit Union in Albuquerque, NM as a Senior Financial Analyst and then as a Commercial Lender, while starting several small businesses. In 2015, Walt moved over to FootPrints Home Care, one of the businesses he helped to start, eventually becoming CEO. Walt eventually joined Zanetti Financial in 2021.

Item 3- Disciplinary Information:

Greg Zanetti has not been subject to any legal or disciplinary events.
Walt Benson has not been subject to any legal or disciplinary events.

Item 4- Other Business Activities:

Greg Zanetti is not actively engaged in any investment-related business or occupation. Moreover, neither none of our representatives are registered, nor have applications pending to register, as broker-dealers, registered representatives of a broker-dealers,

futures commission merchants ("FCM"), commodity pool operators ("CPO"), commodity trading advisors ("CTA"), or an associated person of an FCM, CPO, or CTA.

Greg Zanetti doesn't have a material conflict of interest with clients, with respect to the investment advice given.

Greg Zanetti does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative. Greg Zanetti is not licensed in either life and health insurance and cannot receive commissions from sales of these non-registered insurance products.

Greg Zanetti is not actively engaged in any business or occupation for compensation not discussed in response to the above, or with respect to any other business activities.

Walt Benson doesn't have a material conflict of interest with clients, with respect to the investment advice given.

Walt Benson currently owns a Baskin Robbins Franchise with 2 locations and is a partial owner in a waste removal business. Additionally, he owns commercial and residential income producing real estate.

Walt Benson does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative. Walt Benson is not licensed in either life or health insurance and cannot receive commissions from sales of these non-registered insurance products.

Walt Benson is not actively engaged in any business or occupation for compensation not discussed in response to the above, or with respect to any other business activities.

Item 5- Additional Compensation:

There are no other individuals who provide an economic benefit to either Greg Zanetti or Walt Benson for providing advisory services, generally described in the arrangement.

Item 6 – Supervision:

Zanetti Financial is a small investment advisor without a formal supervision structure. Greg Zanetti maintains records required to document his compliance with industry regulations.

Item 7- Requirements for State-Registered Advisers:

Greg Zanetti and Walt Benson have not had any kind of disciplinary award levied against them, or otherwise been found liable in any civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) An investment or an investment-related business or activity;
- (b) Fraud, false statement(s), or omissions;
- (c) Theft, embezzlement, or other wrongful taking of property; (d) Bribery, forgery, counterfeiting, or extortion; or (e) Dishonest, unfair, or unethical practices.

Item 8-Bankruptcy:

Greg Zanetti and Walt Benson have not filed for bankruptcy nor have had a bankruptcy petition issued against them.

Privacy Statement

Zanetti Financial, LLC

[5120 San Francisco Rd NE, Suite A Albuquerque, NM 87112 \(505\) 250-3754](#)

Privacy Policy

Your privacy is important to us, and we protect it as we do our own. Whether you are a prospective client (the legal term here is “consumer”) or an existing client (the legal term here is “customer”), we consider you to be under the privacy umbrella of our firm. Your request for information about our services is considered private by us.

What information do we collect?

We collect both public and nonpublic information from you. This information may be collected through our website, emails, or in person.

Publicly available information would be details available from federal, state, or local government records; widely distributed media (such as telephone directories or newspapers); or information disclosed to the public as required by federal, state, or local law. Non-public personal information (NPI) is any personal information that cannot be found in public sources. NPI is usually obtained directly from the individual. It includes such details as the person’s date of birth, Social Security Number, financial account numbers and balances, sources and amounts of income, credit card numbers, general information obtained about visits to our Internet web site and might include other addresses and telephone numbers.

The information we collect directly from you includes information required to communicate with you, including your name, mailing address, telephone number, email address and fax number; and to identify who you are, including Social Security Number, employer name and address. Obviously, this includes both your public and nonpublic information.

We don't place cookies on your computer. However, at a future time, if we allow you access to your client accounts through our secure website, we may take whatever electronic measures necessary to protect our clients' information from unauthorized access, such as implementing username and password protocols and electronic monitoring.

WE DON'T ACCEPT CREDIT CARD PAYMENTS IN AN EFFORT TO KEEP THAT INFORMATION SECURE, AS WELL AS KEEPING OUR FEES LOW.

When do we obtain information?

You provide to us directly the majority of information we collect. You do this by completing our forms, completing account applications if necessary, authorizing us to complete account transactions, sending us emails, or providing information at client appointments.

How do we use your personal information?

Again, the trust of our clients is our most valued asset. Therefore, we use personal information only as appropriate to provide you with quality service and security. For example, if you decide to open an account with an account custodian or set up additional insurance policies, and we facilitate that action, we may communicate such information with the other company (known as a third-party service provider) as is necessary to provide you with the best service possible. Any service provider we recommend will already have in place its own privacy practices, and you will have access to a copy of those from them.

By law, we are permitted to disclose collected information to service providers to effect, service, administer, process, or settle a transaction, product or service you have authorized or requested. **We do not provide information to mailing lists, email lists, or other solicitors.** In addition, we ask that you DO NOT put our email address on a global email address list, a distribution list, or Joke List. We receive hundreds of emails a week, and our security is enhanced by controlling access to our email accounts.

If you authorize us to disclose information about you to a third party such as a mortgage lender, your accountant, or your lawyer, then we will.

What steps do we take to protect our clients' personal information?

We have made a significant investment in leading-edge security software, systems, and procedures to offer you a safe and secure environment and to protect your personal information. NO SECURITY SYSTEM IS IMPENETRABLE. We are committed to constantly reviewing, refining and upgrading our security technology and our in-office procedures as new tools become available.

We also incorporate client computer security education into all aspects of our financial planning.

On our website, we also use technology to encrypt information transmitted by you through our website. We recommend that you need to utilize the most recent internet browser with strong encryption capabilities. In addition, we restrict access to your confidential nonpublic information to those persons who require such information to provide services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your information.

We shred any discarded paper information if there is any personal information on it.

Does our Privacy Policy apply to the websites to which we link?

We may put links to articles of interest on our website from time to time. If you choose to follow the link, we are not responsible for the privacy policies or the content of sites we link to and have no control of the use or protection of information provided by you or collected by those sites. Any information you provide to them is covered by their privacy policies.

A word of education and warning: Do not give personally sensitive information to websites from a public computer or using a wireless system available publicly, such as from the public library or at Starbucks, etc.

When does this Privacy Policy NOT apply?

When the consumer or customer has consented to, and has not revoked, the disclosure; for resolving consumer or customer disputes or inquiries; to persons holding a legal or beneficial interest relating to the consumer or customer; to persons acting in a fiduciary or representative capacity on behalf of the consumer or customer; to provide information to agencies assessing Zanetti Financial, LLC compliance with industry standards, and to its attorneys, accountants, and auditors; to respond to a state or national regulator's examination of Zanetti Financial, LLC; or to comply with a civil, criminal, or regulatory investigation by federal, state, or local authorities.