

HASENBERG FINANCIAL GROUP

Hasenberg Financial Group
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ADV Part 2A Appendix 1: Wrap Fee Program Brochure

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This wrap fee program brochure provides information about the qualifications and business practices of Christopher J. Hasenberg, Inc. dba Hasenberg Financial Group (“Hasenberg Financial Group”). If you have any questions about the contents of this brochure, please contact us at (715) 839-6566. 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 Hasenberg Financial Group is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Hasenberg Financial Group is 326053.

Item 2- Material Changes

We do not have any material changes to report because this is our initial Brochure. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide you with a summary of these changes. We will also reference the date of your last annual update.

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Item 4 – Services, Fees and Compensation

Christopher J. Hasenberg, Inc. dba Hasenberg Financial Group (“We”) is a Wisconsin corporation formed in April 2013. We became registered as an investment adviser in May 2023. Christopher J. Hasenberg is the owner and President. Alisha Arvold is the Chief Compliance Officer. As of August 15, 2023, we manage \$178,370,0000 in discretionary assets.

We are the sponsor of the Hasenberg Financial Group wrap fee program. Our wrap fee program allows you to pay a single fee that covers advisory services, trade execution, custody, and other standard brokerage services.

PORTFOLIO MANAGEMENT SERVICES

We offer portfolio management services on a discretionary basis that involve assisting with the ongoing management of your investment accounts. Prior to entering into an agreement, we work with you to understand your investment objectives, time frame, risk tolerance and other considerations. Once we have this information, we create an individualized portfolio. We will request discretionary authority from you to select the securities and execute transactions without your prior permission. We base our recommendations on a variety of factors including, but not limited to, performance risk, fees, tax efficiency of different investment strategies, as well as your input and preferences regarding the strategies.

FEES

We charge a single asset-based management fee for services covered by the wrap program. The annual management fee (“fee”) is based on a percentage of assets under management in your account as reported by the custodian. Our fee schedule is:

Custodian Reported Account Value	Annual Management Fee
\$0 to \$400,000	1.75%
\$400,001 to \$750,000	1.25%
\$750,001 to \$1,000,000	1.00%
Above \$1,000,000	0.75%

Our fee schedule is blended. This means an account valued at \$500,000 will pay 1.75% on the first \$400,000 and 1.25% on the remaining \$100,000. The fee is negotiable based on the size and number of the account(s) managed.

The fee is calculated and collected monthly in arrears, meaning we collect the management fee at the end of each calendar month. The fee calculation is based on the custodian’s reported average daily account balance for the month. This amount is multiplied by the fee percentage and divided by 12. Cash balances and investments in money market funds, demand deposit accounts, or certificates of deposit held in the account are included in the fee calculations.

You will be asked to authorize us with the ability to instruct the custodian to withdraw our management fee directly from your account. You can terminate this authorization at any time.

In a wrap account, clients pay a single annual advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups, or transaction charges for execution of transactions in addition to the advisory fee.

OTHER TYPES OF FEES AND CHARGES

Program accounts incur additional fees and charges from parties other than us as noted below. These fees and charges are in addition to the normal advisory fees.

Schwab's Brokerage Services

In addition to the advisory services, the wrap fee program includes certain brokerage services of Charles Schwab & So., Inc. ("Schwab") a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. We are independently owned and operated and not affiliated with Schwab. Schwab will act solely as a broker-dealer and not as an investment adviser to you. It will have no discretion over your account and will act solely on instructions it receives from us or you. Schwab has no responsibility for your services and undertakes no duty to you to monitor our management of your account or other services we provide you. Schwab will hold your assets in the brokerage account and buy and sell securities and execute other transactions when we or you instruct them to. We do not open your account for you.

There are other fees and charges that are imposed by other third parties that apply to investments in program accounts. Some of these fees and charges are described below:

- In addition to compensating us for advisory services, the wrap fee you pay us allows us to pay for brokerage and execution services provided by Schwab. We pay Schwab transaction costs when it charges a fee for executing a trade in the wrap fee accounts. As a result, we have a financial incentive to limit orders for wrap fee accounts because trades increase our transaction costs. Thus, an incentive exists to trade less frequently in a wrap program.
- A Wrap fee is not based directly on the number of transactions in your account. Various factors influence the relative cost of our wrap fee program to you, including the cost of our investment advice, custody and brokerage services if you purchased them separately, the types of investments held in your account, and the frequency, type and size of trades in your account. The program could cost you more or less than purchasing our investment advice and custody/brokerage services separately.
- If your assets are invested in mutual funds or other pooled investment products, you should be aware that there will be two layers of advisory fees and expenses for those assets. You will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. You will also pay us the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using our management services and by making your own investment decisions.
- When purchasing mutual fund shares for a client's account, the client is subject to various fees and charges, including, but not limited to, the cost of portfolio management, creating account statements, account services, recordkeeping, commissions, and legal services. The fees and charges a client will pay are generally determined by the share class that the client purchases. Some share classes are subject to either a front-end sales charge or a deferred sales charge and can be appropriate when implementing a pure buy and hold strategy. Other share classes impose a higher ongoing fee (12b-1 fee) which is retained by Schwab. There are

limitations on the availability of share classes to clients based on Schwab and the funds themselves. These limitations can be imposed by Schwab if, for example, Schwab's platform only makes certain share classes available. The funds themselves impose certain limitations, such as minimum investment requirements. We seek to use the lowest cost share class available while considering the client's investment time horizon and preference. We require that pre-approval be obtained for any mutual fund investments where the lowest cost expense ratio share class available is not used. On a quarterly basis, we review mutual fund holdings to identify any non-advisory share class holdings and to evaluate for share class exchange. For assets held outside of any wrap fee programs, clients will typically incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to our fee.

- If you hold a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund, or variable annuity is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

OTHER IMPORTANT CONSIDERATIONS

- The benefits under a wrap fee program depend, in part, upon the size of the account, the costs associated with managing the account, and the frequency or type of securities transactions executed in the account.
- For example, a wrap fee program may not be suitable for all accounts, including but not limited to accounts holding primarily, and for any substantial period of time, cash or cash equivalent investments, fixed income securities or no-transaction-fee mutual funds, or any other type of securities that can be traded without commissions or other transaction fees.
- In order to evaluate whether a wrap fee arrangement is appropriate for you, you should compare the agreed-upon Wrap Program Fee and any other costs associated with participating in our Wrap Fee Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and execution costs, and custodial services comparable to those provided under the Wrap Fee Program.
- A Wrap fee is not based directly on the number of transactions in your account. Various factors influence the relative cost of our wrap fee program to you, including the cost of our investment advice, custody, and brokerage services if you purchased them separately, the type of investments held in your account, and the frequency, type and size of trades in your account. The program costs you more or less than purchasing our investment advice and custody/brokerage services separately.
- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee can cost the client more than purchasing the program services separately, because the client could pay an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include

the type and size of the account, historical or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.

- The advisory fee also can cost the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a program account.
- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

TERMINATION OF PORTFOLIO MANAGEMENT SERVICES

You may terminate any service for any reason within the first five (5) business days after signing an advisory contract, without any cost or penalty. Thereafter, the advisory contract may be terminated by either party at any time by providing the other party with ten (10) days' written notice. To cancel the advisory contract, you must notify us in writing at Hasenberg Financial Group, 431 East Claremont Ave., Suite E, Eau Claire, WI 54701. Because we charge in arrears, you will receive an invoice with a prorated fee that is based on the amount of time we managed the account during the termination month. For example, if you cancel 15 days into a 30-day month, you will receive an invoice for 50% of the fee due that month. (15 days divided by 30 days equals 50 percent). For financial planning fees charged in advance, you will receive a prorated refund of any unearned fees based on the percentage of work completed on the plan or time remaining in the termination month.

OTHER SECURITIES COMPENSATION

Some of our associates are registered representatives of Purshe Kaplan Sterling Investments, a full-service broker/dealer and member FINRA/SIPC ("PKS"). Through PKS, they can offer securities, insurance, or annuity products only available through a Broker-Dealer. Sales of these products and securities generate a commission that is unrelated to any advisory fee arrangements with us. This causes a conflict of interest because the commission is separate from the fees outlined above. They attempt to mitigate this conflict of interest to the best of their ability by placing the client's interest ahead of their own through their fiduciary duty. Additionally, it is our policy that recommended securities purchases do not have to be purchased through our associates.

FEES AND COSTS NOT INCLUDED

Our wrap fee covers our advisory services and the brokerage services provided by Schwab including custody of assets, equity trades, ETFs, and agency transactions in fixed income securities. As a result, we have an incentive to execute transactions for your account at Schwab.

Our wrap fee does not cover all fees and costs. The fees not included in the wrap fee include charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other expenses), mark-ups

and mark-downs, spread paid to market makers, fees (such as commission or markup) for trades executed away from the custodian at another broker-dealer, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

RETIREMENT ROLLOVER CONFLICTS OF INTEREST

When we recommend you rollover a retirement account for us to manage, this creates a financial incentive because we charge a fee for our services. We attempt to mitigate the conflict of interest by acting in your best interest and applying an impartial conduct standard to all rollovers. Please note that you are not under any obligation to roll over a retirement account to an account managed by us.

Item 4 – Account Requirements and Types of Clients

Our services are primarily provided to individuals and high net worth individuals. We do not require a minimum account size. However, Schwab requires a minimum account size of \$5,000.

Item 5 – Portfolio Manager Selection and Evaluation

In our wrap program, we do not select, review, or recommend other investment advisors or portfolio managers. We, through our associated persons, are responsible for the investment advice and management offered to clients. For more information about the associated person managing the account, the client should refer to the Brochure Supplement (ADV Part 2B) for the associated person, which the client should have received along with this Brochure at the time the client opened the account.

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

We managed our model portfolios using tactical asset allocation. Tactical Asset Allocation is an active management portfolio strategy that rebalances the percentage of assets held in various categories to take advantage of market pricing anomalies or strong market sectors. This strategy is designed to allow portfolio managers to create extra value by taking advantage of certain situations in the marketplace. It is a moderately active strategy because portfolio managers return to the portfolio's original strategic asset mix when desired short-term profits are achieved. The risk associated with tactical asset allocation is that each class has different levels of risk and return, so each will behave differently over time. There is no guarantee that moving additional assets into an asset class will grow a portfolio.

We also manage client portfolios based on income tax management situations. In these cases, we will not strictly follow our tactical asset allocation management system because we do not want to generate taxable revenue. The risk associated with this system would be the client can miss some growth opportunities.

INVESTMENT RISKS

All investment programs have certain risks that are borne by you and **investing in securities involves risk of loss that clients should be prepared to bear**. Our goal is to reduce the risk of loss, but not at the expense of portfolio growth. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. To manage risk, we rebalance model portfolios on an as needed basis to bring the asset allocations back to their intended balances. You should feel free to ask questions about risks that he or she does not understand; we would be pleased to discuss them.

RECOMMENDED SECURITIES

We use several types of securities in your portfolios including, but not limited to, mutual funds, exchange traded funds (ETFs), stocks, and bonds. On rare occasions we may use inverse or leveraged mutual funds or ETFs. Some of the risk associated with these securities include:

- **Credit Risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Exchange Traded Funds (ETFs) Risk:** ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts; however, they differ from traditional investment companies because ETF shares are listed on a securities exchange. Shares can be bought or sold through the trading day like share of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the asking price is often referred to as the "spread". The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, including those that invest in commodities, are not registered as investment companies.
- **Inverse Fund Risk:** An inverse ETF or mutual fund ("fund") attempts to mimic the inverse, or opposite, of its stated benchmark. For example, an inverse S&P 500 fund would attempt to deliver the opposite of the S&P 500's daily performance, net of fees. These funds, also called "short fund or Bear fund" are often used to profit from a downturn in a given market, sector, or index, or to hedge against a potential loss in their portfolio. Although an inverse fund does not explicitly use leverage to magnify the intended return, they can suffer from the same compounding effects as the leveraged long and leveraged short funds.
- **Leveraged Fund Risk:** A leveraged ETF or mutual fund ("fund") seeks to generate a return that is a multiple (usually 2X or 3X or -2X or -3X) of its benchmark index's performance over a specific, pre-set time period indicated in the fund's prospectus. That time period is

also referred to as the "rebalancing period", and it is generally only one day, although it could be for a longer time period such as a month. As a result, the returns for these types of funds can differ significantly from that of their benchmark index, over periods lasting longer than the rebalancing period because of the compounding of returns. Generally, the longer the security is held, the more likely the returns of the Leveraged product will differ from the long-term return of the index. **Although potential returns are increased by leveraging, so are the potential losses, so these securities carry significant risk.** As a result, leveraged and inverse funds are intended only for sophisticated investors with an aggressive tolerance for risk.

- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Stock Market Risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

VOTING CLIENT SECURITIES

We vote proxies for the securities in our client's accounts. We are guided by general fiduciary principles to act prudently and in the best interest of our clients. When we vote proxies, we will do so in a manner that we believe will be consistent with efforts to maximize the value of a client's investment positions while considering factors such as particular investment strategies involved. Clients may direct our vote on their proxies by contacting us in writing. We will provide a copy of our proxy voting policies and procedures to any client or prospective client upon request.

Item 6 – Client Information Provided to Portfolio Managers

In our wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assist the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Clients should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Clients should further be aware that achievement of the stated investment objective is a long-term goal for the account.

Item 7 – Client Contract with Portfolio Managers

Clients should contact us at any time with questions regarding program accounts.

Item 8 – Client Referrals and Other Compensation

OTHER COMPENSATION

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these

arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Form ADV Part 2A, Item 12—Brokerage Practices).

CLIENT REFERRALS

We do not pay for client referrals or use solicitors.

Item 9 – Additional Information

DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10 years that would be material to a client's evaluation of us or the integrity of our management. We have no information applicable to this Item because we have not been the subject of any administrative, civil, criminal, or regulatory proceedings.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Some of our associates are registered representatives of Purshe Kaplan Sterling Investments, a broker/dealer and member FINRA/SIPC ("PKS"). Please see Item 4 for additional details.

We have an affiliated insurance agency, Hasenberg Insurance Services, LLC. Our associates can recommend insurance products to our clients through this agency. This service pays them or our agency commissions that are separate from the investment adviser fees outlined in Item 4 above. This creates a financial incentive to recommend insurance products to you. However, we attempt to mitigate any conflicts of interest to the best of our ability by placing the client's interests ahead of our own and through the implementation of policies and procedures that address the conflict. Additionally, the clients are informed that they always have the right to choose whether to act on the recommendation and they have the right to purchase recommended insurance products through any licensed insurance agent or agency.

We have an affiliated company, Hasenberg Tax Services, Inc., which provides tax preparation and planning services. We recommend its services to our clients. It charges separate fee from those outlined above. This creates a financial incentive to offer and sell you these services. We attempt to mitigate any conflicts of interest to the best of our ability by placing your interests ahead of our and our associates' interests. Additionally, you are informed that you always have the right to choose whether to act on the recommendation and you have the right to use any tax preparation and planning services.

Item 10- Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons, and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things,

provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our associates can buy or sell for their own accounts the same securities at or about the same time that they recommend those securities to clients or purchase them for client accounts. A conflict of interest exists because they can trade ahead of client accounts. We mitigate any conflicts of interest in two ways. First, our Code of Ethics requires employees to report personal securities transactions on at least a quarterly basis and provide us with a detailed summary of certain holdings (both initially upon commencement of employment and quarterly thereafter) in which employees have a direct or indirect beneficial interest. The reports are reviewed to ensure we do not trade ahead of client accounts. Second, we require client transactions be placed ahead of our associates' personal trades or our associates can place personal trades as part of a block trade. The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

PERIODIC REVIEWS

Our owner, Mr. Hasenberg, reviews the securities held in the model portfolios daily. Our associates meet with clients either in person, by telephone or virtual meeting at least annually.

OTHER REVIEWS

Additional reviews are conducted periodically depending on market conditions, economic or political events, or by changes in a client's financial situation (such as retirement, termination of employment, physical move, or inheritance).

REPORTS

Financial planning clients receive either a written or digital financial plan. Portfolio management clients receive at least a quarterly account statement from the account's custodian. We urge you to carefully review these statements.

Item 11- Financial Information

BALANCE SHEET

At no time will fees of more than \$1200 be charged six or more months in advance. As such, a balance sheet is not required to be provided at this time.

FINANCIAL CONDITION

We are required in this Item to provide clients with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service clients. We do not have a financial commitment that impairs our ability to service clients.

BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.