Disclosure Brochure **March 30, 2024**

HERBEIN FINANCIAL GROUP, LLC

a Registered Investment Adviser

3435 Winchester Road, Suite 102,
Allentown, PA 18104

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www.herbein.com/services/financial-services

This brochure provides information about the qualifications and business practices of Herbein Financial Group, LLC (hereinafter "HFG" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, HFG is required to discuss any material changes that have been made to the brochure since the last annual amendment. Since the filing of our last Annual Updating Amendment on March 31, 2023 we have made the following material changes to our Brochure:

We have updated the address of our main office to: 3435 Winchester Road, Suite 102, Allentown, PA 18104.

We have changed our fiscal year end to September.

We have revised Item 12 to clarify that Herbein Financial Group, LLC does not recommend any broker-dealers, nor is engaged in directed brokerage, trade aggregation or soft dollars since Herbein Financial Group, LLC does not execute any trades. All portfolio management services are performed by our affiliated entity, Northeast Financial Group, LLC as specified in Item 4 and in the tri-party advisory contract with our clients.

Item 3. Table of Contents

Item 2. Material Changes 2
Item 3. Table of Contents 3
Item 4. Advisory Business 4
Item 5. Fees and Compensation 8
Item 6. Performance-Based Fees and Side-by-Side Management 10
Item 7. Types of Clients 10
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss 10
Item 9. Disciplinary Information 10
Item 10. Other Financial Industry Activities and Affiliations 10
Item 11. Code of Ethics 11
Item 12. Brokerage Practices 13
Item 13. Review of Accounts 13
Item 14. Client Referrals and Other Compensation 14
Item 15. Custody 14
Item 16. Investment Discretion 15
Item 17. Voting Client Securities 15
Item 18. Financial Information 16

Item 4. Advisory Business

HFG is a joint venture between Herbein + Company, Inc. ("H+C") and Northeast Financial Group, Inc. ("NEFG"). NEFG is a registered investment adviser. HFG filed for registration as an investment adviser in July 2022 and is owned by H+C and NEFG. HFG does not have any assets under management; however, the Firm will be registered with the Securities Exchange Commission because it is under common control and shares the same principal office and place of business as NEFG. The Firm does not expect to have assets under management but will report assets under advisement in the future, which will be the assets at NEFG where the Firm has the primary relationship.

HFG offers a variety of advisory services, which include financial planning, consulting, and investment management services. Some of these services are provided in conjunction with NEFG. The services are often described throughout this brochure as being provided through NEFG as well as describing the services as provided by the "Firms" which includes HFG and NEFG. Prior to HFG rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with HFG setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement"). The Advisory Agreement could be a tri-party agreement between the Firm, the client and NEFG. Alternatively, the client could have an agreement with the Firm which allows the Firm to engage NEFG for the services.

While this brochure generally describes the business of HFG, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on HFG's behalf and are subject to the Firm's supervision or control.

Financial Planning and Consulting Services

HFG offers, directly or in coordination with NEFG, a broad range of financial planning and consulting services, addressing a variety of matters, which include any or all of the following functions:

- Financial plan maintenance
- Estate planning
- Cash flow analysis
- Business planning
- Retirement planning
- Education funding
- Risk management
- Long-term care assessment
- Tax Planning
- Disability and survivorship planning

In performing its services, HFG is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. HFG recommend the services of itself, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if HFG recommends its own services or those offered by its Supervised Persons. The client is under no obligation to act upon any of the recommendations made by HFG under a financial planning or consulting engagement or to engage the services of any such recommended professional, including HFG itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of HFG's recommendations. Clients are advised that it remains their responsibility to promptly notify HFG if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising HFG's previous recommendations and/or services.

Investment Management Services

All of the Firm's Investment Management Services are provided through NEFG. Clients will be provided with a copy of NEFG's Disclosure Brochure in addition to this brochure. Clients should review the NEFG brochure which will provide all current information about NEFG's services, fees, conflicts of interest and any other material information required.

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon. Clients can engage HFG to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, HFG directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

HFG and NEFG tailor the advisory services to meet the needs of individual clients and seek to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. HFG and NEFG consult with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify HFG if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if HFG and NEFG determine, in their sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the management efforts.

1031 Tax-Free Real Estate Exchange Services

The Firm or HFG provides services in the review and selection of properties and programs to complete 1031 tax-free real estate exchanges. The Firm or NEFG will recommend Qualified Intermediaries, or work with the buyers Qualified Intermediary to assist in the complete transaction. Services include research and recommendations of primary and or secondary backup properties or programs to satisfy the requirements of identifying and completing the transactions within the required time limits.

Retirement Plan Services

The Firms provide comprehensive services to retirement plans, including retirement plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), "ERISA Plans."

Participant-Level Investment Advisory Services: HFG provides non-discretionary investment advisory services to retirement plan participants about the plan investment options ("Participant-Level Investment Advisory Services"). The plan participant has the final decision-making authority regarding the initial selection, retention and changes in investment selections. In providing Participant-Level Investment Advisory Services to participants of ERISA Plans, HFG is acting as a fiduciary under ERISA.

Plan-Level Investment Advisory and Investment Management Services: All of the Firms' plan-level investment advisory services and investment management services are provided through NEFG. Retirement plan clients are provided with a copy of NEFG's Disclosure Brochure which provides detailed information about the plan-level investment advisory and investment management services provided to retirement plans, including ERISA Plans. In providing plan-level investment advisory and investment management services to ERISA Plans, NEFG is acting as a fiduciary under ERISA.

Consulting Services: HFG provides consulting services to retirement plan clients that may include assisting in group enrollment meetings, educating plan participants about general investment principles and the plan's investment options and in the case of an ERISA Plan, educating the ERISA Plan client as to its fiduciary responsibilities. HFG's consulting services may also include assisting retirement plan clients in monitoring, selecting and supervising plan service vendors and performing benchmarking studies.

For a more detailed description of the Firms' services, the retirement plan client should refer to the Advisory Agreement.

Use of Independent Managers

As mentioned above, HFG uses the advisory services of NEFG for all clients. NEFG selects certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager are set forth in a separate written agreement with the designated Independent Manager. That agreement can be between NEFG and the Independent Manager (often called a subadvisor) or the client and the Independent Manager (sometimes called a separate account manager). In addition to this brochure, clients will typically also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Management of Pooled Investment Vehicles

Robert L. Hackenberg serves as the managing member to affiliated private investment funds, H&L Capital Group, LLC, H&L Capital II, LLC. In addition, Robert L. Hackenberg and Josh R. Laychock serve as the managing members of NEFG Capital Partners LLC, the managing member to two additional affiliated private investment funds, Capital Partners Alternative Income & Growth Fund, LLC and Capital Partners Lending Fund, LLC (collectively with H&L Capital Group, LLC and H&L Capital II, LLC, "the Funds").

Interests in the Funds are privately offered pursuant to Regulation D under the Securities Act of 1933, as amended. The Funds currently rely on an exemption from registration under the Investment Company Act of 1940, as amended. Participation as an investor in the Funds is restricted to investors that are qualified clients pursuant to the requirements under Rule 205-3 under the Advisers Act, as well as “accredited investors” as defined under Rule 501(a) of the Securities Act of 1933, as amended and “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended.

To the extent certain that the Firm’s individual advisory clients qualify, they will be eligible to participate as members of the Funds. Investment in the Funds involves a significant degree of risk. All relevant information, terms and conditions relative to the Funds, including the compensation received by NEFG or its affiliate as managing member, suitability, risk factors, and potential conflicts of interest, are set forth in the Confidential Private Offering Memorandum (the “Memorandum”), Limited Partnership Agreement (the “Agreement”), and/or Subscription Agreement of each Fund (together, the “Offering Documents”), which each investor is required to receive and/or execute prior to being accepted as an investor in the Funds. While the Funds are generally considered to be a client of NEFG, “client(s)” may also refer to the investors in the Funds.

NEFG will devote its best efforts with respect to its management of both the Funds and the individual client accounts. Given the above discussion relative to the objectives, suitability, risk factors, and qualifications for participation in the Funds, NEFG may give advice or take action with respect to the Funds that differs from that for individual client accounts. To the extent that a particular investment is suitable for both the Funds and certain individual client accounts, such investments will be allocated between the Funds and the individual client accounts in a manner which NEFG determines is fair and equitable under the circumstances to all of its clients.

Conflict Disclosure for Rollover Recommendation

A conflict of interest arises when HFG makes recommendations about retirement plan distributions and rollovers to IRAs, IRA to IRA transfers, IRA to plan rollovers, plan to plan rollovers and change of account types for a retirement plan or IRA (each, a “rollover recommendation”) if it results in HFG receiving compensation that it would not have received absent the recommendation, for example, fees for advising or managing a rollover IRA. HFG will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client. No client is under an obligation to roll over retirement plan or IRA assets to an account advised or managed by HFG. When HFG makes a rollover recommendation, it is fiduciary advice under the Investment Advisers Act of 1940 (the “Advisers Act”). Also, when HFG provides investment advice to a plan participant about his/her retirement plan account or to an IRA owner about his/her IRA, including a rollover recommendation, HFG is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (the “Code”), as applicable, which are laws governing retirement accounts. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA and/or the Code when HFG receives compensation as a result of the rollover that it would not have received absent the recommendation. In that circumstance, HFG will comply with the conditions of exceptions to the prohibited transaction rules (e.g., an applicable prohibited transaction exemption such as PTE 2020-02 or non-enforcement policy).

Item 5. Fees and Compensation

The Firm offers its services on a fee basis, which includes hourly and/or fixed fees, as well as fees based upon assets under management. In addition, investors in the Funds can pay performance-based compensation to the affiliates as described above. Certain of the Firm's and/or NEFG's Supervised Persons, in their individual capacities, may also offer securities brokerage services and insurance products under a separate commission-based arrangement.

The Financial Planning, Consulting and Investment Management fees are disclosed in NEFG's disclosure brochure which each of the Firm's clients are provided. This includes a description of the amount of the fee as well as other information about the fees (such as the frequency that the fee is charged). Clients should review the NEFG disclosure brochure. Clients do not pay a higher fee for accessing NEFG through HFG. The fee charged to the Firm's clients is the same as if the client had gone directly to NEFG. The Firms (HFG and NEFG share in the fee pursuant to their agreement).

Fee Discretion

The Firms may, in their sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

Additional Fees and Expenses

In addition to the advisory fees paid to HFG and NEFG (and its affiliates in the case of the Pooled Investment Vehicles), clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, fees charged by the Independent Managers, margin and other borrowing costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients provide HFG, NEFG and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to HFG.

Account Additions and Withdrawals

Clients can make additions to and withdrawals from their account at any time, subject to HFG's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to HFG, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments, and the withdrawal of assets may impair the achievement of a client's investment objectives. HFG may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

1031 Tax-Free Real Estate Exchange Fees

Fees for the 1031 services can be based on an hourly fee schedule, or a fixed fee for services. A minimum consulting fee may apply and will be quoted up front once the need for service is identified. The Firm and/or NEFG will include continuing review of programs recommended and acquired to complete the real estate exchange. Additional fees may apply.

In the event that recommendations from the Firm and/or NEFG are implemented, and commissions or fees may be payable, the Firm and NEFG will waive the commissions or fees. If applicable, fees or commissions may be passed onto the buyer, and enhance the value invested in the properties or programs acquired.

Retirement Plan Fees

The Firms are fiduciaries under ERISA and the Code in providing Participant-Level Investment Advisory Services and plan-level investment advisory and investment management services to ERISA Plan clients (described in Item 4). As such, the Firms are subject to specific duties and obligations under ERISA and the Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, the Firms may only charge fees to ERISA Plan clients for investment advice about products for which the Firms and/or their affiliates do not receive any commission, 12b-1 fees or other compensation.

The annual fee for the Firms' services to retirement plan clients is set forth in the Advisory Agreement and is based upon a percentage (%) of included plan assets as reported by the plan custodian or recordkeeper. Included plan assets are the plan assets for which the Firms provide services as described in the Advisory Agreement.

The fee is payable quarterly in arrears (the "Fee Period"). The retirement plan is obligated to pay the Firms' fee. As agreed to under the Advisory Agreement, the retirement plan client may authorize the plan custodian to automatically deduct the fee from the plan or the plan sponsor of the retirement plan may choose to pay the fee.

Either the Firms or the retirement plan client can terminate the Advisory Agreement at any time, without penalty, by sending the other party 30 days prior written notice. The parties remain responsible for obligations arising under any transactions initiated before the agreement was terminated. If the agreement is terminated prior to the end of a Fee Period, the Firms are entitled to a fee, prorated for the number of days in the Fee Period prior to the effective date of termination.

Item 6. Performance-Based Fees and Side-by-Side Management

HFG does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets). As mentioned above, investors in the Pooled Investment Vehicles are charged performance-based fees. The Offering Documents of the Funds will discuss the conflicts of interest with performance-based fees.

Item 7. Types of Clients

HFG offers services to individuals, trusts, estates, charitable organizations, corporations and other business entities, pension and profit-sharing plans.

Minimum Account Requirements

HFG does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. NEFG and certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, HFG may alter its corresponding account requirements and/or billing practices to accommodate NEFG and those of the Independent Managers.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

HFG utilizes the investment advisory services of NEFG. Therefore, the Firm's Methods of Analysis, Investment Strategies, and Risk of Loss are the same as NEFG's. Clients should look to Item 8 of NEFG's disclosure brochure which is provided to the Firm's clients.

Item 9. Disciplinary Information

HFG has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Related Certified Public Accounting Firm

HFG does not render accounting services to clients. In the event a client requires accounting services, the firm will sometimes recommend a certified public accountant. At times, the Firm recommends the services of H+C. These services are rendered independent of HFG and pursuant to a separate agreement between the client and the accounting firm. The Firm does not receive any portion of the fees paid by the client to H+C and does not receive a referral fee in connection with the accounting services that H+C renders to its clients. However, the Firm is under common control with H+C and one or more of the Firm's Supervised Persons are associated with H+C. There exists a conflict of interest to the extent that the Firm, NEFG and/or H+C recommend the services of the other.

Affiliated Insurance Agency

HFG is a duly licensed insurance agency. Additionally, certain of the Firm's and HFG's Supervised Persons, in their individual capacities, are licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed basis, the purchase of certain insurance products. A conflict of interest exists to the extent that the Firm, HFG or their Supervised Persons recommend the purchase of insurance products where the Firm, HFG or their Supervised Persons receive insurance commissions or other additional compensation. The Firm and HFG seek to ensure that any such recommendations are provided on a fully-disclosed basis and only when aligned with its clients' bests interests.

Affiliation with the Pooled Investment Vehicles

As discussed in this disclosure brochure, Robert L Hackenberg, serves as managing member to certain of the Funds, as described in Item 4 above. Robert L. Hackenberg and Josh R. Laychock also serve as the managing members of NEFG Capital Partners LLC, the managing member to certain of the Funds. A conflict of interest exists to the extent NEFG's Supervised Persons recommend an investment in the Funds due to NEFG's Chief Compliance Officer's and Principals' direct and/or indirect affiliation therewith, including their ownership interest in such Funds. NEFG seeks to ensure that any such recommendations are provided on a fully-disclosed basis and only when aligned with its clients' bests interests.

Item 11. Code of Ethics

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, nonpublic information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

We serve as the general partner or are affiliated with one or more private funds (private pooled investment vehicles) in which you may be solicited to invest. Our Company, certain members of its management, and other knowledgeable employees may acquire, directly or indirectly, investment interests in our fund or have other financial interests (e.g. General Partner, Officers, Board Members, etc.) in the funds. This presents a conflict of interest because we have investments and/or are compensated by the private funds. Conflicts that arise are mitigated through our Company's fiduciary obligation to act in the best interest of our clients, contractual limitations that govern our activities as adviser or general partner, as applicable, and the requirement of our Company not to place its interests before its clients' interests when managing the funds. If you are an investor in a private fund, refer to the private fund's offering documents for detailed disclosures regarding the private funds.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Aggregated Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("aggregated trading"). Refer to the Brokerage Practices section in this brochure for information on our aggregated trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12. Brokerage Practices

Recommendation of Broker-Dealers for Client Transactions

Herbein Financial Group, LLC ("HFG") does not recommend any broker-dealers, since HFG, LLC does not execute any trades. All portfolio management services are performed by our affiliated entity, Northeast Financial Group, LLC as specified in Item 4 and in the tri-party advisory contract with our clients.

Brokerage for Client Referrals

HFG does not receive client referrals from any broker-dealer.

Directed Brokerage

HFG does not engage in directed brokerage since HFG does not execute any trades. All portfolio management services are performed by our affiliated entity, Northeast Financial Group, LLC as specified in Item 4 and in the tri-party advisory contract with our clients.

Trade Aggregation

HFG does not engage in trade aggregation since HFG does not execute any trades. All portfolio management services are performed by our affiliated entity, Northeast Financial Group, LLC as specified in Item 4 and in the tri-party advisory contract with our clients.

Soft Dollars

HFG does not have any soft dollar arrangements with any broker-dealer. All portfolio management services are performed by our affiliated entity, Northeast Financial Group, LLC as specified in Item 4 and in the tri-party advisory contract with our clients.

Item 13. Review of Accounts

Account Reviews

For those clients to whom the Firm and/or NEFG provides investment management services, NEFG monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom the Firm and/or NEFG provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one or more of the investment adviser representatives of the Firms. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with the Firm and to keep the Firm informed of any changes thereto. HFG contacts ongoing investment advisory clients at least annually to request updated information regarding the client's financial situation and/or investment objectives. In addition, clients can request meetings to review the Firm's previous services and/or recommendations.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from HFG or an outside service provider.

Item 14. Client Referrals and Other Compensation

Client Referrals

In the event a client is introduced to HFG by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from HFG's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the client will receive a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of HFG is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Other Compensation

The Firm and NEFG receive economic benefits from Schwab. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12 in this brochure as well as NEFG's disclosure brochure.

Item 15. Custody

HFG is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm's fees. As such, client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

In addition, as discussed in Item 13, HFG will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from HFG. Any other custody disclosures can be found in the Firm's Form ADV Part 1.

Standing Letters of Authorization

HFG or NEFG also anticipate having custody due to clients giving the Firms limited power of attorney in a standing letter of authorization ("SLOA") to disburse funds to one or more third parties as specifically designated by the client. In such circumstances, the Firm that has custody will implement the steps in the SEC's no-action letter on February 21, 2017 which includes (in summary): i) client will provide instruction for the SLOA to the custodian; ii) client will authorize the Firm to direct transfers to the specific third party; iii) the custodian will perform appropriate verification of the instruction and provide a transfer of funds notice to the client promptly after each transfer; iv) the client will have the ability to terminate or change the instruction; v) the Firm will have no authority or ability to designate or change the identity or any information about the third party; vi) the Firm will keep records showing that the third party is not a related party of the Firm or located at the same address as the Firm; and vii) the custodian will send the client an initial and annual notice confirming the SLOA instructions.

Item 16. Investment Discretion

HFG or NEFG are given the authority to exercise discretion on behalf of clients. The Firms are considered to exercise investment discretion over a client's account if they can affect and/or direct transactions in client accounts without first seeking their consent. HFG or NEFG are given this authority through a power-of-attorney included in the agreement between HFG, NEFG and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). HFG and NEFG take discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

Acceptance of Proxy Voting Authority

Prior to April, 2023, NEFG voted client securities (proxies) on behalf of its clients and provided a summary of its policies and procedures to clients. NEFG no longer accepts the authority to vote clients' securities on their behalf.

For those legacy clients where we do vote proxies, we will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for you. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations.

Item 18. Financial Information

HFG is not required to disclose any financial information listed in the instructions to Item 18 because:

- The Firm does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

Disclosure Brochure **March 30, 2024**

NORTHEAST FINANCIAL GROUP, LLC

a Registered Investment Adviser

3435 Winchester Road, Suite 102,
Allentown, PA 18104

(570) 688-9898

www.nefginc.com

This brochure provides information about the qualifications and business practices of Northeast Financial Group, LLC (hereinafter "NEFG" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training

Item 2. Material Changes

In this Item, NEFG is required to discuss any material changes which have been made to the brochure since the last annual amendment. Since the filing of our last Annual Updating Amendment dated March 30, 2023 we made the following material changes:

As of December 31, 2023 Robert Hackenberg is the Chief Compliance Officer and no longer has an ownership interest in the firm. Josh Laychock is now the Principal.

Item 3. Table of Contents

Item 1. Cover Page 1
Item 2. Material Changes...2
Item 3. Table of Contents 3
Item 4. Advisory Business 4
Item 5. Fees and Compensation...9
Item 6. Performance-Based Fees and Side-by-Side Management..14
Item 7. Types of Clients 14
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss 15
Item 9. Disciplinary Information...18
Item 10. Other Financial Industry Activities and Affiliations...18
Item 11. Code of Ethics...19
Item 12. Brokerage Practices...20
Item 13. Review of Accounts 23
Item 14. Client Referrals and Other Compensation 24
Item 15. Custody 24
Item 16. Investment Discretion..25
Item 17. Voting Client Securities 25
Item 18. Financial Information 26

Item 4. Advisory Business

Originally founded in 1987, NEFG has been in business as an independent registered investment adviser since July 1998. From the onset, NEFG has maintained its commitment to providing comprehensive planning and investment services to the firm's clients, which NEFG believes has led to the firm's continued growth throughout complex times in the financial markets. It is NEFG's focus to provide its clients with a wide array of investment options and unvarying support in an effort to enable them to meet their individual planning objectives. Josh R. Laychock is the principal owner of NEFG. As of December 31, 2023, the firm had $1,000,469,143 in assets under management, of which $538,515,684 was managed on a discretionary basis and $461,953,459 was managed on a non- discretionary basis.

Prior to engaging NEFG to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with NEFG setting forth the terms and conditions under which NEFG renders its services (collectively the "*Agreement*").

This Disclosure Brochure describes the business of NEFG. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of NEFG's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on NEFG's behalf and is subject to NEFG's supervision or control.

Financial Planning and Consulting Services

NEFG offers clients a broad range of comprehensive financial planning and consulting services, addressing a variety of matters. These services, which are offered on both a standalone and ongoing basis, may address any or all of the following:

- Financial plan maintenance
- Estate planning;
- Cash flow analysis;
- Business planning;
- Retirement planning
- Education funding;
- Estate planning;
- Risk management;
- Long-term care assessment; and
- Disability and survivorship planning.

In performing its services, NEFG is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. NEFG recommends the services of itself, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if NEFG recommends its own services or those offered by its Supervised Persons. The client is under no obligation to act upon any of the recommendations made by NEFG under a financial planning or consulting engagement or to engage the services of any such recommended professional, including NEFG itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of NEFG's recommendations. Clients are advised that it remains their responsibility to promptly notify NEFG if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising NEFG's previous recommendations and/or services.

Investment Management Services

NEFG manages clients' investment portfolios on a discretionary or non-discretionary basis.

NEFG primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and/or *Independent Managers* (as defined below), as well as the securities components of variable annuities and variable life insurance contracts in accordance with the investment objectives of the client. NEFG also provides advice about any type of legacy position or investment otherwise held in its clients' portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon.

NEFG also renders non-discretionary investment management services to clients relative to variable life/annuity products that they may own, their individual employer-sponsored retirement plans, and/or 529 plans or other products that may not be held by the client's primary custodian. In so doing, NEFG either directs or recommends the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product. Additionally, where appropriate, NEFG recommend that certain accredited investors, as defined in Rule 501 under Regulation D under the Securities Act of 1933, invest in certain private placements, which may include equity, debt and/or pooled investment vehicles.

NEFG consults with its clients to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs. NEFG ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify NEFG if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon NEFG's management services. Clients can impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in NEFG's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

Use of Independent Managers

As mentioned above, NEFG recommends that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers ("*Independent Managers*"), based upon the stated investment objectives of the client. The terms and conditions under which the client engages the *Independent Managers* are set forth in a separate written agreement between NEFG and/or the client and the designated *Independent Managers*. NEFG renders services to the client relative to the discretionary and/or non-discretionary selection or recommendation of *Independent Managers.* NEFG also monitors and reviews the account performance and the client's investment objectives. NEFG receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Managers*. NEFG's annual advisory fee, combined with any fee charged by the *Independent Managers*, will never exceed three percent.

When recommending or selecting an *Independent Manager* for a client, NEFG reviews information about the *Independent Manager* such as its disclosure brochure and/or material supplied by the *Independent Manager* or independent third parties for a description of the *Independent Manager*'s investment strategies, past performance and risk results to the extent available. Factors that NEFG considers in recommending an *Independent Manager* include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Managers*, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, NEFG's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by NEFG, the designated *Independent Managers*, and corresponding broker-dealer and custodian.

In addition to NEFG's written disclosure brochure, the client also receives the written disclosure brochure of the designated *Independent Managers*. Certain *Independent Managers* may impose more restrictive account requirements and varying billing practices than NEFG. In such instances, NEFG may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.

Management of Pooled Investment Vehicles

Robert L. Hackenberg serves as the managing member to affiliated private investment funds, H&L Capital Group, LLC, H&L Capital II, LLC. In addition, Chief Compliance Officer, Robert L. Hackenberg and Principal, Josh R. Laychock serve as the managing members of NEFG Capital Partners LLC, the managing member to two additional affiliated private investment funds, Capital Partners Alternative Income & Growth Fund, LLC and Capital Partners Lending Fund, LLC (collectively with H&L Capital Group, LLC and H&L Capital II, LLC, "*the Funds*").

Interests in *the Funds* are privately offered. *The Funds* currently rely on an exemption from registration under the Investment Company Act of 1940, as amended. Participation as an investor in *the Funds* is restricted to investors that are qualified clients pursuant to the requirements under Rule 205-3 under the Advisers Act, as well as "accredited investors" as defined under Rule 501(a) of the Securities Act of 1933, as amended and "qualified purchasers" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. *The Funds* are real estate, debt and private lending focused pooled investment vehicles.

To the extent certain of NEFG's individual advisory clients qualify, they will be eligible to participate as members of *the Funds*. Investment in *the Funds* involves a significant degree of risk. All relevant information, terms and conditions relative to *the Funds*, including the compensation and fees received by NEFG or its affiliate as managing member (including any performance-based compensation), suitability, risk factors, and potential conflicts of interest, are set forth in the Confidential Private Offering Memorandum (the "Memorandum"), Limited Partnership Agreement (the "Agreement"), and/or Subscription Agreement of each Fund (together, the "Offering Documents"), which each investor is required to receive and/or execute prior to being accepted as an investor in *the Fund*s. While *the Funds* are generally considered to be a client of NEFG, "client(s)" may also refer to the investors in *the Funds*.

NEFG will devote its best efforts with respect to its management of both *the Funds* and the individual client accounts. Given the above discussion relative to the objectives, suitability, risk factors, and qualifications for participation in *the Funds*, NEFG may give advice or take action with respect to *the Funds* that differs from that for individual client accounts. To the extent that a particular investment is suitable for both *the Funds* and certain individual client accounts, such investments will be allocated between *the Funds* and the individual client accounts in a manner which NEFG determines is fair and equitable under the circumstances to all of its clients. A conflict of interest exists since we have a financial incentive to recommend the Funds to clients. However, as a fiduciary, we are obligated to act in our clients' best interests and, therefore, we only recommend the Funds when we determine the investment is suitable for the client.

1031 Tax-Free Real Estate Exchange Services

NEFG provides services in the review and selection of properties and programs to complete 1031 tax-free real estate exchanges. The firm will recommend Qualified Intermediaries, or work with the buyers Qualified Intermediary to assist in the complete transaction. Services include research and recommendations of primary and or secondary backup properties or programs to satisfy the requirements of identifying and completing the transactions within the required time limits.

Pension Consulting Services

NEFG provides comprehensive consulting services to pension plans. In general, NEFG assists the engaging client in designing and implementing a plan. The plan design lists the criteria for the selection of investment vehicles and the procedures and timing intervals for monitoring investment performance. NEFG also reviews and recommends various investment options, primarily consisting of mutual funds and ETFs, in an effort to implement an investment platform designed to further the client's stated objectives.

As part of these services, the firm may provide pension plan participants with educational support services and investment workshops, addressing general financial and plan related matters. NEFG also offers individual enrollment meetings, whereby the firm provides employees with individualized assistance on asset allocations within their respective retirement accounts. These services are rendered pursuant to specialized engagements which are customized to accommodate the needs and objectives of the engaging party.

Retirement Plan Services

NEFG provides comprehensive services to retirement plans, including retirement plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), "ERISA Plans."
ERISA Plan Clients: NEFG provides both ERISA fiduciary services and non-fiduciary services to ERISA Plan Clients that are participant-directed plans.

ERISA Fiduciary Services: NEFG provides ERISA fiduciary services either as a discretionary investment manager or a non-discretionary investment adviser to ERISA Plan Clients.

<u>Investment Management Services</u>: NEFG provides investment management services to ERISA Plan Clients on a discretionary basis as an investment manager under ERISA § 3(38) and in that capacity, NEFG's investment decisions are made in its sole discretion without the ERISA Plan Client's prior approval. Each ERISA Plan Client who engages NEFG to perform investment management services is required to enter into an investment management agreement. NEFG's investment management services include developing and implementing an investment policy statement, selecting a broad range of

investment options consistent with ERISA § 404(c), making decisions about the selection, retention, removal and/or replacement of investment options and if the ERISA Plan Client has determined that the Plan should have a qualified default investment alternative (a "QDIA") for participants who fail to make an investment election, selecting the investment that will serve as a QDIA.

Investment Advisory Services: NEFG also provides investment advisory services on a non-discretionary basis and in that capacity, the ERISA Plan Client retains, and exercises, final decision-making authority and responsibility for the implementation (or rejection) of NEFG's recommendations or advice. Each ERISA Plan Client who engages NEFG to perform non-discretionary investment advisory services is required to enter into an investment advisory agreement. NEFG's non-discretionary investment advisory services include assisting the ERISA Plan Client in developing and implementing an investment policy statement, assisting the ERISA Plan Client in selecting a broad range of investment options consistent with ERISA § 404(c), assisting the ERISA Plan Client in making decisions about the selection, retention, removal and/or replacement of investment options, and if the ERISA Client has determined that the Plan should have a QDIA for participants who fail to make an investment election, assisting in the selection of the investment that will serve as a QDIA.

Participant-Level Services: NEFG may also provide non-discretionary investment advice to Plan participants about the Plan investment options. The Plan participant has the final decision-making authority regarding the initial selection, retention and changes in investment selections.

Non-Fiduciary Services: NEFG's non-fiduciary services to ERISA Plan Clients include assisting in group enrollment meetings, educating plan participants about general investment principles and the plan's investment options and educating the ERISA Plan Client as to its fiduciary responsibilities. NEFG's non-fiduciary services also include assisting the ERISA Plan Client in monitoring, selecting and supervising plan service vendors and performing benchmarking studies.

Non-ERISA Plan Clients: NEFG also provides discretionary investment management services and non-discretionary investment advisory services to retirement plans not covered under ERISA ("non-ERISA Plan Clients").

NEFG provides investment management services to non-ERISA Plan Clients on a discretionary basis and in that capacity, NEFG's investment decisions are made in its sole discretion without the client's prior approval. Each client who engages NEFG to perform investment management services is required to enter into an investment management agreement. NEFG's investment management services include developing and implementing an investment policy statement, and making decisions about the selection, retention, removal and/or replacement of investment options.

NEFG also provides investment advisory services on a non-discretionary basis and in that capacity, the non-ERISA Plan Client retains, and exercises, final decision-making authority and responsibility for the implementation (or rejection) of NEFG's recommendations or advice. Each client who engages NEFG to perform non-discretionary investment advisory services is required to enter into an investment advisory agreement. NEFG's non-discretionary investment advisory services include assisting the client in developing and implementing an investment policy statement and assisting the client in making decisions about the selection, retention, removal and/or replacement of investment options.

In addition, NEFG assists non-ERISA Plan Clients with group enrollment meetings and educating plan participants about general investment principles and the plan's investment options. NEFG also assists the client in monitoring, selecting and supervising plan service vendors and performing benchmarking studies.

For a more detailed description of NEFG's services, the retirement plan client should refer to the investment advisory agreement or investment management agreement, as the case may be.

Rollover Recommendations
A conflict of interest arises when NEFG makes recommendations about retirement plan distributions and rollovers to IRAs, IRA to IRA transfers, IRA to plan rollovers, plan to plan rollovers and change of account types for a retirement plan or IRA (each, a "rollover recommendation") if it results in NEFG receiving compensation that it would not have received absent the recommendation, for example, fees for advising or managing a rollover IRA. NEFG will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client. No client is under an obligation to roll over retirement plan or IRA assets to an account advised or managed by NEFG. When NEFG makes a rollover recommendation, it is fiduciary advice under the Investment Advisers Act of 1940 (the "Advisers Act"). Also, when NEFG provides investment advice to a plan participant about his/her retirement plan account or to an IRA owner about his/her IRA, including a rollover recommendation, NEFG is a fiduciary within the meaning of ERISA and/or the Internal Revenue Code (the "Code"), as applicable, which are laws governing retirement accounts. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA and/or the Code when NEFG receives compensation as a result of the rollover that it would not have received absent the recommendation. In that circumstance, NEFG will comply with the conditions of exceptions to the prohibited transaction rules (e.g., an applicable prohibited transaction exemption such as PTE 2020-02 or non-enforcement policy).

Item 5. Fees and Compensation

NEFG offers its services on a fee basis, which include hourly and/or fixed fees, as well as fees based upon assets under management, depending on the circumstances. Certain of NEFG's *Supervised Persons*, in their individual capacities, may also offer securities brokerage services and insurance products under a separate commission-based arrangement.

Financial Planning and Consulting Fees

NEFG charges a fixed fee and/or hourly fee to provide financial planning and consulting services. The fees for the initial development of a financial plan generally range from $500 to $10,000 on a fixed fee basis and/or $295 on an hourly basis. Subsequent consulting services or updates to an existing financial plan are generally provided for a fixed fee, which generally ranges from $100 to $3,000. These fees are negotiable, but are largely determined by the level and scope of the services and the professional engaged to render them.

Prior to engaging NEFG to provide financial planning and/or consulting services, the client is required to enter into a written agreement with NEFG setting forth the terms and conditions of the engagement. Generally, NEFG requires one-half of the financial planning or consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

Investment Management Fees

NEFG provides investment management services for an annual fee based upon a percentage of assets under management. The annual fee for the Firm's Core or ETF portfolios varies and is largely determined by the size and composition of a client's investment portfolio, as follows:

PORTFOLIO VALUE	BASE FEE
Up to $250,000	1.35%
Next $250,000	1.25%
Next $250,000	1.15%
Next $250,000	1.00%
Next $1,500,000	0.90%
Next $2,500,000	0.80%
Next $2,500,000	0.70%
Next $2,500,000	0.60%
Next $5,000,000	0.50%
Next $5,000,000	0.40%
Above $20,000,000	Negotiable

Fixed Portfolios / Variable Annuity / Life Portfolios

PORTFOLIO VALUE	BASE FEE
Up to $1,000,000	0.55%
Next $1,500,000	0.50%
Next $5,000,000	0.45%
Next $2,500,000	0.40%
Next $2,500,000	0.35%
Next $2,500,000	0.30%
Next $5,000,000	0.25%
Above $20,000,000	Negotiable

NEFG's annual fee is prorated and charged quarterly or monthly, in advance, based upon the market value of the assets being managed by NEFG on the last day of the previous quarter or month. NEFG's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. NEFG does not, however, receive any portion of these commissions, fees, and costs.

To limit any confusion, this is an example of the way a $500,000 account will be billed in the tiered schedule

- First $250,000.00 x 1.35% = $3,375.00
- Second $250,000.00 x 1.25% = $3,125.00
- Total Annual Fees of $6,500.00 invoiced over four billing periods (when on a quarterly billing cycle)

NEFG utilizes the Advisory Share Class of various family's mutual funds for specific accounts, but not limited to 529 College Accounts, Traditional and ROTH IRA's as well as individual accounts. These mutual fund share classes do not have an upfront commission or deferred sales charge. Each individual mutual fund within the family of fund offerings charges a separate investment management fee to the fund. These fees are outlined and available from the fund family directly on their website or calling the fund family directly.

NEFG can charge an advisory fee on these Advisor Share Funds not to exceed 1.00% based on the total dollars invested and the services to be provided. The fund family will debit the NEFG investment fees on a quarterly or monthly basis against the most recent quarter or month-end values of the overall portfolio positions. The annualized fee for the individual portfolios will be identified in the NEFG Investment Policy Statement for the Investors Advisory Share Class Fund accounts.

Termination

Our Financial Planning Agreement may be terminated at any time upon receipt of written notice to terminate given by either party. All other contracts may be terminated upon thirty (30) days prior written notice to the other party or such shorter period as may be agreed to by the parties.

Pension Consulting Fees

NEFG provides pension consulting services for an annual asset-based fee. This fee is prorated and may be charged quarterly, in arrears, based upon the market value of the assets on the last day of the quarter during which the services were provided. The consulting fee is negotiable, but generally ranges up to 135 basis points, depending on the size and needs of the plan and the type of fiduciary services rendered under the engagement with NEFG.

Retirement Plan Fees

NEFG is a fiduciary under ERISA and the Code in providing investment advisory and/or management services to ERISA Plan Clients (described in Item 4). As such, NEFG is subject to specific duties and obligations under ERISA and the Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, NEFG may only charge fees for investment advice about products for which NEFG and/or its affiliates do not receive any commission, 12b-1 fees or other compensation.

The annual fee for NEFG's services to retirement plan clients is set forth in the investment advisory agreement or investment management agreement, as the case may be (the "service agreement") and is based upon a percentage (%) of included plan assets as reported by the plan custodian or recordkeeper. Included plan assets are the plan assets for which NEFG provides services as described in the service agreement.

The fee is generally payable quarterly in arrears (the "Fee Period"). The fee is negotiable, but generally ranges up to 125 basis points, depending on the size and needs of the plan and the type of fiduciary services rendered under the engagement with NEFG. The retirement plan is obligated to pay NEFG's fee. As agreed to under the service agreement between NEFG and the retirement plan client, the client may authorize the plan custodian to automatically deduct the fee from the plan or the plan sponsor of the retirement plan may choose to pay the fee.

Either NEFG or the retirement plan client can terminate the service agreement at any time, without penalty, by sending the other party 30 days prior written notice. Both parties remain responsible for obligations arising under any transactions initiated before the agreement was terminated. If the agreement is terminated prior to the end of a Fee Period, NEFG is entitled to a fee, prorated for the number of days in the Fee Period prior to the effective date of termination.

Fee Discretion

NEFG, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), NEFG generally recommends that clients utilize the brokerage and clearing services of Charles Schwab & Co., Inc. ("*Schwab*") for investment management accounts.

NEFG may only implement its investment management recommendations after the client has arranged for and furnished NEFG with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, *Schwab*, any other broker-dealer recommended by NEFG, broker-dealers directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients incur certain charges imposed by the *Financial Institutions* and other third parties such as brokerage commissions and other transaction costs, margin costs, reporting charges, fees charged by *Independent Managers*, fees related to private investments, custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to NEFG's fee.

Fee Debit

NEFG's *Agreement* and the separate agreement with any *Financial Institutions* generally authorize NEFG or *Independent Managers* to debit the client's account for the amount of NEFG's fee and to directly remit that management fee to NEFG or the *Independent Managers*. Any *Financial Institutions* that serve as qualified custodian for client accounts have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to NEFG. Alternatively, clients may elect to have NEFG send an invoice for payment.

Fees for Management During Partial Period of Service

For the initial period of investment management services when engaged by the client, the fees are calculated on a *pro rata* basis. After the initial period, if assets are deposited into or withdrawn from an account after the start of a month or quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the month or quarter but will be included in the assets for fees payable in the next billing period.

The *Agreement* between NEFG and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. NEFG's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to NEFG's right to terminate an account. Additions may be in cash or securities provided that NEFG reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to NEFG, subject to the usual and customary securities settlement procedures. However, NEFG designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. NEFG may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Commissions or Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with NEFG (but not NEFG itself) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with NEFG.

Under this arrangement, clients may implement securities transactions through certain of NEFG's Supervised Persons in their respective individual capacities as registered representatives of Leigh Baldwin & Co., LLC ("LB"), an SEC registered broker-dealer and member of FINRA (the "Brokerage Relationship"). LB charges brokerage commissions to effect certain of these securities transactions and thereafter, a portion of these commissions can be paid by LB to such Supervised Persons. Prior to effecting any transactions through the Brokerage Relationship, clients are required to enter into a new account agreement with LB. The brokerage commissions charged by LB may be higher or lower than those charged by other broker-dealers.

A conflict of interest exists to the extent that a Supervised Person of NEFG recommends the purchase or sale of securities through a brokerage relationship where that Supervised Persons receives commissions or other additional compensation as a result of that recommendation (the “Brokerage Relationship”).
Because the Supervised Persons receive compensation in connection with the sale of securities in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons, have an incentive to recommend more expensive securities or services to clients where such Supervised Persons earn more compensation with respect to the sale of such securities through the Brokerage Relationship rather than through an advisory relationship with the Firm. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Clients should understand that the investments made in the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations.

1031 Tax-Free Real Estate Exchange Fees

Fees for the services can be based on the Firm’s hourly fee schedule, or a fixed fee for services. A minimum consulting fee may apply and will be quoted up front once the need for services is identified. NEFG will include continuing review of programs recommended and acquired to complete the real estate exchange. Additional fees may apply.

In the event that recommendations from NEFG are implemented, and commissions or fees may be payable, NEFG will waive the commissions or fees. If applicable, fees or commissions may be passed onto the buyer, and enhance the value invested in the properties or programs acquired.

Item 6. Performance-Based Fees and Side-by-Side Management

As stated in Item 4, the Firm can earn performance-based fees from services provided to the Funds. Investors in any Fund that pays a performance fee are limited to those that are accredited investors. Although NEFG believes that this fee arrangement best aligns the interests of the Firm and its clients, it raises conflicts of interest. The performance fee is an incentive for the Firm to make or recommend investments that are riskier or more speculative than would be the case absent a performance fee arrangement. In addition, where NEFG charges performance-based fees and also provides similar services to accounts not being charged performance-based fees, there is an incentive to favor accounts paying a performance- based fee, including, without limitation, in the allocation of resources, services, functions or investment opportunities. Investors in the Funds should review the Offering Documents which describe the fees.

Item 7. Types of Clients

NEFG provides its services to individuals, pension and profit sharing plans, state and municipal government entities, trusts, estates, charitable organizations, corporations and business entities, and pooled investment vehicles.

Minimum Annual Fee

As a condition for starting and maintaining an investment management relationship, NEFG may impose a minimum annual fee of $1,000. The minimum fee may have the effect of making NEFG's services impractical for certain investors, particularly those with portfolios with less than $50,000 in assets to be managed. However, NEFG's minimum annual fee for providing investment management services will never exceed three percent (3.00%) of a client's portfolio. NEFG, in its sole discretion, may elect to waive its minimum annual fee based upon certain criteria, such as future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and *pro bono* activities.

Minimums Imposed by Independent Managers

Certain *Independent Managers* may impose more restrictive account requirements and varying billing practices than NEFG. In such instances, NEFG may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

The firm analyzes investment options and portfolio allocations pursuant to an asset allocation methodology. NEFG's asset allocation analysis involves a strategy in which NEFG seeks to balance risk and reward by apportioning portfolio assets among various asset classes according to an individual's objectives, time horizon and risk tolerance. While NEFG believes that this diversification affords clients an added level of protection from overexposure to any one asset class, it also ensures that portfolios are subjected to a variety of asset classes that may prove volatile during a given period.

In selecting the individual securities (including private funds) and portfolio managers that, in the firm's opinion, provide the best upside exposure in any given asset class, NEFG may examine a variety of indicators derived from a range of fundamental, technical and/or cyclical analytical metrics.

Fundamental analysis involves an assessment of the fundamental financial condition and competitive position of a company. NEFG analyzes the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves an examination of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that NEFG will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the examination of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that NEFG is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Investment Strategies

As stated above, NEFG selects securities based on asset allocation decisions, rather than decisions about the attractiveness of individual stocks or bonds. Specifically, the firm seeks to determine the mix of funds, common stocks, bonds and money market instruments (i.e., cash investments) that offers the best combination of potential risk and return. NEFG's aim is to maximize the long-term total returns of its client's investment portfolios. At any given time, the Firm may allocate all, a portion, or none of its clients' assets to an investment category or style to best meet the objectives of the individual portfolio.
In each of its clients' portfolios, NEFG utilizes a mix of individual securities, mutual funds, ETFs and/or cash equivalents based on the client's individual needs, objectives, time horizon, cash flow constraints and risk profile. The firm may employ a passive and/or tactical investment approach within a given portfolio or weighting. NEFG may further utilize active fund managers for any investment alternatives or investment category contained within the portfolio.

The Firm can also recommend the investment by clients in one or more of the Funds managed or advised by the Firm or its affiliates when the Firm believes it is in the client's best interest. Investors will be provided with Offering Documents for the Fund they are being recommended to invest in. Those Offering Documents will include a description of the Fund, including the conflicts of interest and risks. Clients should read those Offering Documents carefully.

Risks of Loss

General Risk of Loss
Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Market Risks
The profitability of a significant portion of NEFG's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that NEFG will be able to predict those price movements accurately.

Volatility Risks
The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Cash Management Risks
The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Equity-Related Securities and Instruments

The Firm may take long and short positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, mid-capitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Fixed Income Securities

Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

Mutual Funds and Exchange Traded Funds (ETFs)

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Private Collective Investment Vehicles

NEFG recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities.

As described throughout this brochure, the Firm can recommend investment in the Funds. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

Use of Independent Managers
NEFG may recommend the use of *Independent Managers* for certain clients. NEFG will continue to do ongoing due diligence of such managers, but such recommendations rely, to a great extent, on the *Independent Managers* ability to successfully implement their investment strategy. In addition, NEFG does not have the ability to supervise the *Independent Managers* on a day-to-day basis other than as previously described in response to Item 4, above.

Item 9. Disciplinary Information

NEFG is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. NEFG does not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

NEFG is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons.

Registered Representatives of Broker Dealer

Certain of NEFG's Supervised Persons are registered representatives of LB. These arrangements are discussed in further detail in response to Item 5 (above) and Item 12 (below).

Registration as Insurance Agency

NEFG is a duly licensed insurance agency. Additionally, certain of NEFG's *Supervised Persons*, in their individual capacities, are licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed basis, the purchase of certain insurance products. A conflict of interest exists to the extent that NEFG or its *Supervised Persons* recommend the purchase of insurance products where NEFG or its *Supervised Persons* receive insurance commissions or other additional compensation. NEFG seeks to ensure that any such recommendations are provided on a fully-disclosed basis and only when aligned with its clients' bests interests.

Related Investment Adviser

NEFG is under common control with its affiliated SEC registered investment adviser, Herbein Financial Group, LLC ("HFG"). Certain Supervised Persons of NEFG also serve in the same or similar capacity for

HFG. Clients engage HFG and NEFG through a tri-party agreement so clients of both firms are treated equally and pay the same or similar fees regardless of which firm they engage.

Affiliation with Pooled Investment Vehicles

NEFG's Chief Compliance Officer, Robert L Hackenberg, serves as managing member to certain of the *Funds*, as described in Item 4 above. NEFG's Chief Compliance Officer, Robert L. Hackenberg and Principal, Josh R. Laychock also serve as the managing members of NEFG Capital Partners LLC, the managing member to certain of the *Funds*. A conflict of interest exists to the extent NEFG's Supervised Persons recommend an investment in *the Funds* due to NEFG's Chief Compliance Officer's and Principal's direct and/or indirect affiliation therewith, including their ownership interest in such *Funds*. NEFG seeks to ensure that any such recommendations are provided on a fully-disclosed basis and only when aligned with its clients' bests interests.

Related Certified Public Accounting Firm

NEFG does not render accounting services to clients. In the event a client requires accounting services, the firm will sometimes recommend a certified public accountant. At times, the Firm recommends the services of Herbein + Company, Inc. ("H+C"). These services are rendered independent of NEFG and pursuant to a separate agreement between the client and the accounting firm. The Firm does not receive any portion of the fees paid by the client to H+C and does not receive a referral fee in connection with the accounting services that H+C renders to its clients. However, the Firm is under common control and ownership with HFG, which is co-owned with H+C and one or more of the Firm's Supervised Persons. There exists a conflict of interest to the extent that the NEFG and/or H+C recommend the services of the other.

Item 11. Code of Ethics

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, nonpublic information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

We serve as the general partner or are affiliated with one or more private funds (private pooled investment vehicles) in which you may be solicited to invest. Our Company, certain members of its management, and other knowledgeable employees may acquire, directly or indirectly, investment interests in our fund or have other financial interests (e.g. General Partner, Officers, Board Members, etc.) in the funds. This presents a conflict of interest because we have investments and/or are compensated by the private funds. Conflicts that arise are mitigated through our Company's fiduciary obligation to act in the best interest of our clients, contractual limitations that govern our activities as adviser or general partner, as applicable, and the requirement of our Company not to place its interests before its clients' interests when managing the funds. If you are an investor in a private fund, refer to the private fund's offering documents for detailed disclosures regarding the private funds.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Aggregated Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("aggregated trading"). Refer to the Brokerage Practices section in this brochure for information on our aggregated trading practices.
A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12. Brokerage Practices

As discussed above, in Item 5, NEFG generally recommends that clients utilize the brokerage and clearing services of *Schwab.*

Factors which NEFG considers in recommending *Schwab* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Schwab* enables the firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Schwab* may be higher or lower than those charged by other Financial Institutions.

The commissions paid by NEFG's clients to *Schwab* comply with the firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where NEFG determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. NEFG seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist NEFG in its investment decision-making process. Such research generally will be used to service all of the firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because NEFG does not have to produce or pay for the products or services.

NEFG periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

NEFG receives without cost from *Schwab* computer software and related systems support, which allow NEFG to better monitor client accounts maintained at *Schwab*. NEFG receives the software and related support without cost because the firm renders investment management services to clients that maintain assets at *Schwab*. The software and support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support may benefit NEFG, but not its clients directly. In fulfilling its duties to its clients, NEFG endeavors at all times to put the interests of its clients first. Clients should be aware, however, that NEFG's receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence the firm's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, NEFG may receive the following benefits from *Schwab*:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain amount of the advisor's clients' assets are maintained in accounts at *Schwab*. *Schwab's* services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

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

Schwab also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by *Schwab*. Other potential benefits may include occasional business entertainment of personnel of NEFG by *Schwab* personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Additional products and services are available to assist NEFG in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at *Schwab*. *Schwab* also makes available to NEFG other services intended to help the Firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. *Schwab* may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. While, as a fiduciary, NEFG endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at *Schwab* may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by *Schwab*, which creates a potential conflict of interest.

Brokerage for Client Referrals

NEFG does not consider, in selecting or recommending broker/dealers, whether the firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

The client can direct NEFG in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by NEFG (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, NEFG may decline a client's request to direct brokerage if, in the firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Trade Aggregation

Transactions for each client generally will be affected independently, unless NEFG decides to purchase or sell the same securities for several clients at approximately the same time. NEFG may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among NEFG's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the firm determines to aggregate client orders for the purchase or sale of securities, including securities in which NEFG's Supervised Persons may invest, the firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. NEFG does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when such account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, the firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Item 13. Review of Accounts

Account Reviews

For those clients to whom NEFG provides investment management services, NEFG monitors those portfolios as part of an ongoing process, while regular correspondence is communicated via electronic media identifying NEFG s general changes to the portfolios. For those clients to whom NEFG provides financial planning and/or consulting services, information reviews are conducted on an "as needed" basis. Such reviews are conducted by one or more of the various members of the Advisory Staff including the Chief Compliance Officer, Robert Hackenberg and/or Principal, Josh Laychock, Chief Investment Officer Alex Lippitt, or multiple Investment Advisor Representatives (IAR's) of the Firm. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with NEFG and to keep NEFG informed of any changes thereto.

Account Statements and General Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from NEFG or an outside service provider.

Financial Planning and Consulting Reports

Those clients to whom NEFG provides financial planning and/or consulting services will receive reports from NEFG summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by NEFG.

Item 14. Client Referrals and Other Compensation

Client Referrals

In the event a client is introduced to NEFG by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. The referral fee is paid solely from NEFG's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the client will receive a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of NEFG is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Other Compensation

NEFG receives economic benefits from *Schwab*. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12.

Item 15. Custody

NEFG is deemed to have custody over a client's assets when it is authorized to directly debit a client's account for payment of the firm's quarterly management fee. In accordance with applicable custody rules, the *Financial Institutions* that serve as qualified custodians for NEFG's client accounts have agreed to send statements to clients, not less than quarterly, indicating all amounts paid to NEFG. As stated in Item 5, the firm also sends to clients a duplicate fee invoice, detailing the amounts deducted for payment of the quarterly management fee, where required under applicable state securities laws.

NEFG may also send periodic reports to clients, as discussed in Item 13. Clients are advised to carefully review the statements and confirmations sent directly by the *Financial Institutions* and to compare them with any reports received from NEFG.

Managing Member of the Funds

NEFG's Chief Compliance Officer and Principal act as managing member(s) to the *Funds* referred to in this Brochure and Form ADV Part 1. Because of this, the Firm is deemed to have custody of client assets.

As such, NEFG engages an independent public accountant registered with, and subject to regulatory inspection by, the Public Accounting Oversight Board (PCAOB) to conduct an annual audit of the *Funds*. The Firm started this practice in 2022. The Firm will distribute the audited financials to each investor.

Standing Letters of Authorization

NEFG also has custody due to clients giving the Firm limited power of attorney in a standing letter of authorization (“SLOA”) to disburse funds to one or more third parties as specifically designated by the client. In such circumstances, the Firm will implement the steps in the SEC’s no-action letter on February 21, 2017 which includes (in summary): i) client will provide instruction for the SLOA to the custodian; ii) client will authorize the Firm to direct transfers to the specific third party; iii) the custodian will perform appropriate verification of the instruction and provide a transfer of funds notice to the client promptly after each transfer; iv) the client will have the ability to terminate or change the instruction; v) the Firm will have no authority or ability to designate or change the identity or any information about the third party; vi) the Firm will keep records showing that the third party is not a related party of the Firm or located at the same address as the Firm; and vii) the custodian will send the client an initial and annual notice confirming the SLOA instructions.

Item 16. Investment Discretion

In some circumstances, NEFG is given the authority to exercise discretion on behalf of clients. NEFG is considered to exercise investment discretion over a client’s account if it can effect transactions for the client without first having to seek the client’s consent. NEFG is given this authority through a power-of-attorney included in the agreement between NEFG and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). NEFG takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The *Independent Managers* to be hired or fired.

Item 17. Voting Client Securities

Prior to April, 2023, the Firm voted client securities (proxies) on behalf of its clients. The Firm no longer accepts the authority to vote clients’ securities on their behalf.

For those legacy clients where we do vote proxies, we will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for you. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations.

Item 18. Financial Information

NEFG is not required to disclose any financial information pursuant to this Item due to the following:

- The firm does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance;
- The firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The firm has not been the subject of a bankruptcy petition at any time during the past ten years.