

The Foundry Financial Group, Inc. Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of The Foundry Financial Group, Inc. If you have any questions about the contents of this brochure, please contact us at (603) 528-5171 or by email at: mfogarty@foundryadvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about The Foundry Financial Group, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The Foundry Financial Group, Inc.'s CRD number is: 116823.

67 Water Street Suite 101
Laconia, NH 03246
(603) 528-5171
mfogarty@foundryadvisors.com
<https://FoundryAdvisors.com>

Registration does not imply a certain level of skill or training.

Version Date: 12/10/2018

Item 2: Material Changes

There are no material changes in this brochure from its last annual updating amendment. Material changes relate to The Foundry's policies, practices or conflicts of interests.

Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes.....	ii
Item 3: Table of Contents.....	iii
Item 4: Advisory Business.....	6
A. Description of the Advisory Firm.....	6
B. Types of Advisory Services.....	6
C. Client Tailored Services and Client Imposed Restrictions.....	6
D. Wrap Fee Programs.....	7
E. Assets Under Management.....	7
Item 5: Fees and Compensation.....	7
A. Fee Schedule.....	7
B. Payment of Fees.....	8
C. Client Responsibility For Third Party Fees.....	8
D. Prepayment of Fees.....	8
E. Outside Compensation For the Sale of Securities to Clients.....	8
Item 6: Performance-Based Fees and Side-By-Side Management.....	9
Item 7: Types of Clients.....	9
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss.....	9
A. Methods of Analysis and Investment Strategies.....	10
B. Material Risks Involved.....	10
C. Risks of Specific Securities Utilized.....	11
Item 9: Disciplinary Information.....	12
A. Criminal or Civil Actions.....	12
B. Administrative Proceedings.....	13
C. Self-regulatory Organization (SRO) Proceedings.....	13
Item 10: Other Financial Industry Activities and Affiliations.....	13
A. Registration as a Broker/Dealer or Broker/Dealer Representative.....	13
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	13

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	13
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections	14
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	14
A. Code of Ethics	14
B. Recommendations Involving Material Financial Interests	14
C. Investing Personal Money in the Same Securities as Clients	14
D. Trading Securities At/Around the Same Time as Clients' Securities	15
Item 12: Brokerage Practices	15
A. Factors Used to Select Custodians and/or Broker/Dealers.....	15
B. Aggregating (Block) Trading for Multiple Client Accounts	15
Item 13: Review of Accounts.....	15
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	15
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	15
C. Content and Frequency of Regular Reports Provided to Clients.....	15
Item 14: Client Referrals and Other Compensation.....	16
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes).....	16
B. Compensation to Non - Advisory Personnel for Client Referrals.....	16
Item 15: Custody	16
Item 16: Investment Discretion.....	16
Item 17: Voting Client Securities (Proxy Voting)	16
Item 18: Financial Information.....	17
A. Balance Sheet	17
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....	17
C. Bankruptcy Petitions in Previous Ten Years.....	17
Item 19: Requirements For State Registered Advisers	17
A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background	17
B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)	17

C.	Calculation of Performance-Based Fees and Degree of Risk to Clients	17
D.	Material Disciplinary Disclosures for Management Persons of this Firm	18
E.	Material Relationships That Management Persons Have With Issuers of Securities (If Any).....	18

Item 4: Advisory Business

A. Description of the Advisory Firm

The Foundry Financial Group, Inc. (hereinafter "The Foundry") is a Corporation organized in the State of New Hampshire. The firm was formed in December 1989, and the principal owner is Michael Harrington Fogarty.

B. Types of Advisory Services

Financial Planning

Financial plans and financial planning may include, but are not limited to: net worth statement and cash flow analysis preparation; investment planning; life insurance; tax concerns; retirement planning; college planning; risk management; estate planning; business continuity and succession; executive compensation; and debt/credit planning.

Services Limited to Specific Types of Investments

The Foundry does not offer investment management services, but in providing financial planning advice we discuss asset allocation and provide guidance to clients regarding the allocations employed in their 401(k) plans, 403(b) plans, 457 plans, and other financial products they may own. The Foundry limits our advice to the assets offered through the plans available to our clients, in these circumstances.

Regarding overall asset allocation, The Foundry generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors) and treasury inflation protected/inflation linked bonds. The Foundry may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

The Foundry will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by The Foundry on behalf of the client. The Foundry may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. The Foundry's services are limited to financial planning; however, clients may discuss restrictions on investing in certain securities or types of securities with the investment adviser firm that the client engages to implement the plan created by the Foundry.

The investment adviser representatives of the Foundry strongly weigh the client's time horizon when considering appropriate allocations. For certain clients, we develop time-segmented portfolios that are designed to match the dates at which portfolio distributions will be required.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. The Foundry does not participate in any wrap fee programs.

E. Assets Under Management

The Foundry has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	January 2017

Item 5: Fees and Compensation

A. Fee Schedule

Financial Planning Fees

Fixed Fees

The negotiated fixed rate for creating client financial plans or for ongoing financial planning that includes periodic updates and reviews is generally between \$600 and \$4,800, but may be more or less depending on client needs and, in some cases, grandfathered agreements. For ongoing financial planning the fee will recur annually.

Hourly Fees

The negotiated hourly fee for these services is between \$200 and \$250. The scope and focus of the engagement may be limited, or it may include a full financial plan presentation.

Clients may terminate the agreement without penalty, for full refund of The Foundry's fees, within five business days of signing the Financial Planning Agreement if the client did not receive this brochure and brochure supplement at least 48 hours prior to entering into the financial planning agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

B. Payment of Fees

Payment of Financial Planning Fees

Fixed financial planning fees are paid via check, ACH transfer, or withdrawn with the client's authorization from an account of the client held at Cambridge Investment Research, Inc. Fees are never charged for work performed more than six months in advance.

For one-time financial plans without ongoing review services, the fixed fee is paid 50% in advance with the remainder due upon presentation of the plan.

For ongoing financial planning, fixed fees may be paid semi-annually or quarterly. Clients may also choose to pay for ongoing services monthly, but only by ACH.

Hourly financial planning fees are paid by check, 50% in advance based on a fair estimate of the time required to complete the plan or limited engagement, with the remainder due upon presentation of the plan, or as invoiced quarterly for ongoing engagements.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by The Foundry. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

The Foundry collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

E. Outside Compensation For the Sale of Securities to Clients

Supervised persons of The Foundry are also registered representatives of a broker-dealer and are also insurance agents. In these roles, they may accept compensation for the sale of investment and insurance products to The Foundry clients.

1. This is a Conflict of Interest

Supervised persons may accept compensation for the sale of investment products, including asset based sales charges or service fees from the sale of mutual funds to The Foundry's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, The Foundry will document the conflict of interest in the client file and inform the client of the conflict of interest.

2. Clients Have the Option to Purchase Recommended Products From Other Agents and Brokers

Clients always have the option to purchase The Foundry recommended products through other brokers or agents that are not affiliated with The Foundry.

3. Commissions are not The Foundry's primary source of compensation for advisory services

The Foundry's does not accept any direct commissions for advisory services.

4. Advisory Fees in Addition to Commissions or Markups

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment or insurance products recommended to clients.

Item 6: Performance-Based Fees and Side-By-Side Management

Because The Foundry only offers financial planning services, it does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

The Foundry generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

When offering financial planning recommendations regarding a client's asset allocation, The Foundry's methods of analysis include fundamental analysis and modern portfolio theory.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Investment Strategies

For assets needed for portfolio distributions over the next 1 to 15 years, The Foundry recommends time-segmented allocation.

For assets needed more than 6 years into the future, The Foundry recommends long-term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

Time segmented allocation seeks to match short-term and intermediate-term income needs with short-term and intermediate-term assets. Because income needs often change, it is possible that the assets used to match the needs will not be sufficient. Inflation may also present a risk that the projected income needs will be higher than planned. Also, assets used to match short and intermediate-term needs often rely on fixed income investments and will carry the risks inherent to these types of assets. They may include, but are not limited to credit and default risk, interest rate risk, and reinvestment risk.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting

(extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Investment adviser representatives of The Foundry are registered representatives of Cambridge Investment Research, Inc., a registered broker-dealer firm.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither The Foundry nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

As registered representatives of Cambridge Investment Research, Inc., representatives of The Foundry from time to time will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. The Foundry always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of The Foundry in such individual's capacity as a registered representative.

Representatives of The Foundry are also investment adviser representatives with another investment advisory firm, Cambridge Investment Research Advisors, Inc., and from time to time, may offer clients advice from those activities. Clients should be aware that these services may involve a conflict of interest. The Foundry always acts in the best interest of the client and clients are in no way required to use the services of any representative of The Foundry in connection with such individual's activities outside of The Foundry.

Certain representatives of The Foundry are independent licensed insurance agents, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. The Foundry always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of The Foundry in connection with such individual's activities outside of The Foundry.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

As indicated above, representatives of The Foundry are investment adviser representatives of Cambridge Investment Research Advisors, Inc. ("CIRA"), and may recommend the investment management services of CIRA to the client. This presents a conflict of interest as the representatives will receive a portion of the advisory fee charged to the client by CIRA. However, The Foundry and its representatives will always act in the best interest of the client when determining whether to recommend CIRA and clients are not required to use the services of CIRA.

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

A. Code of Ethics

The Foundry has a written Code of Ethics that covers, at a minimum, the standard of conduct required of its supervised persons, protection of nonpublic information, reporting of personal securities holdings and transactions, compliance procedures, compliance with the securities laws and with the Code, certification of compliance, reporting violations of the Code, and sanctions for violations. The Foundry's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

The Foundry does not recommend that clients buy or sell any security in which a related person to The Foundry or The Foundry has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

Representatives of The Foundry in their separate capacities may invest in the same securities recommended to clients. This presents a conflict of interest as representatives may be able to buy or sell the same securities before recommending them to clients and

may receive a more favorable price than clients receive. Representatives will always transact client business before their own in these cases.

D. Trading Securities At/Around the Same Time as Clients' Securities

Please see Item 11.C above.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Foundry does not offer investment management services and does not select or recommend broker-dealers for client transactions.

B. Aggregating (Block) Trading for Multiple Client Accounts

The Foundry does not trade clients' accounts and therefore does not have the ability to block trade purchases across accounts.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Michael H Fogarty, CCO. Ongoing financial planning accounts may be reviewed on a quarterly, semi-annually or annually as indicated in the Financial Planning Agreement.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

With respect to financial plans, The Foundry's services will generally conclude upon delivery of the financial plan unless a client has engaged The Foundry for ongoing financial planning services. In that case, The Foundry may review the client's account in response to client questions.

C. Content and Frequency of Regular Reports Provided to Clients

Clients who agree to a one-time financial planning service will receive the financial plan upon completion. For clients engaging The Foundry to provide ongoing financial planning updates and review, the client will receive regular financial planning

recommendations, verbal or written, according to the frequency for which The Foundry has been engaged (generally annual, semi-annual, or quarterly).

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

As Advisor Representatives of Cambridge Investment Research Advisors (CIRA), some supervised persons of The Foundry have entered into an Equity Participation Plan ("EPP") with CIRA's affiliate, Cambridge Investment Group (Cambridge). The EPP Program is a stock appreciation rights program. Once a participant's EPP's units are vested and the years of service requirement is met the participant has a right to the appreciation in value of the same number of shares of Cambridge as he/she holds in vested EPP's Units. CIRA Advisor Representatives are not owners or officers of Cambridge. However, CIRA Advisor Representatives are eligible to participate in the EPP due to their affiliation as Advisor Representatives of CIRA. This arrangement is a potential conflict of interest when the supervised person is providing services to the client in their separate capacities as Advisor Representatives of CIRA in that the arrangement may inhibit CIRA's independent judgment concerning the best execution services offered by Cambridge and its clearing broker-dealers.

B. Compensation to Non – Advisory Personnel for Client Referrals

The Foundry does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

The Foundry does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements for accuracy.

Item 16: Investment Discretion

The Foundry does not have discretion over client accounts at any time.

Item 17: Voting Client Securities (Proxy Voting)

The Foundry will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

The Foundry neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither The Foundry nor its management has any financial condition that is likely to reasonably impair The Foundry's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

The Foundry has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

The education and business backgrounds of The Foundry's current management persons, Michael Harrington Fogarty, Joel Peter Arsenault and Jaimie Lynn Sousa, can be found on the Form ADV Part 2B brochure supplements for those individuals.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

C. Calculation of Performance-Based Fees and Degree of Risk to Clients

The Foundry does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

See Item 10.C and 11.B.