



FORM ADV PART 2A BROCHURE

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This brochure provides information about qualifications and business practices of CB3 Financial Group, Inc. (“CB3”). If you have any questions about the contents of this brochure, please contact us at compliance@cb3.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about CB3 (CRD No. 159156) is also available on the SEC’s website at advisorinfo.sec.gov.

CB3 Financial Group, Inc. is a registered Investment Advisor. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Dated: January 1, 2024

Table of Contents

Item		Page
1	Cover Page	i
2	Table of Contents.....	1
3	Material Changes Since Last Annual Update.....	2
4	Advisory Business.....	3
5	Performance-Reviews and Reports	5
6	Fees and Compensation.....	6
7	Types of Clients/Minimum Account Size	7
8	Methods of Analysis, Investment Strategies, and Risk of Loss.....	8
9	Disciplinary Information.....	9
10	Other Financial Industry Activities and Affiliations.....	10
11	Code of Ethics, Participation, or Interest in Client Transactions and Personal Trading.....	11
12	Brokerage Practices	12
13	Review of Accounts and Reports	14
14	Client Referrals and Other Compensation	15
15	Custody	16
16	Investment Discretion	17
17	Voting Client Securities.....	18
18	Financial Information.....	19
19	Requirements for Registered Advisors.....	20

**MATERIAL CHANGES TO THIS BROCHURE
SINCE OUR LAST ANNUAL UPDATE**

January 1, 2024

There have the following material changes since April, 2022.

A. Our office has relocated to 586 Crescent Blvd. Unit 501 Glen Ellyn, IL 60137. Our phone number has changed to 312.513.7486.

B. Our Five Programs are:

1. Speculative Opportunities (SO). CB3 “SO” trades multi-asset class, multi-country, multi-currency assets across the world. SO is CB3’s only total-return program, meaning that it intends to produce a profit in “all weather” markets, whether asset prices are rising, falling, or are range-bound. CB3 uses extensive risk management strategies to seek profits in any market conditions. An in-person or video interview with CB3’s portfolio manager is a requirement to opening an account trading “CB3 SO”. The REQUIRED minimum opening account size is \$250,000.
2. Growth (CG). CB3 “CG” trades multi-country, multi-currency assets across the world. Primarily, CG invests in individual equities of mega-, large-, mid-, and small cap companies. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$100,0000.
3. Growth Income (GI). CB3 “GI” trades U.S. based stocks, Exchange-Trade Funds (ETFs), and multi-asset funds. Primarily, GI invests in individual equities of dividend-producing companies. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$100,000.
4. Discretionary Strategies (DS). CB3 “DS” programs trade aggressive high-tech and artificial intelligence stocks available around the world. DS is focused on targeted positions in mega-cap trillion-dollar companies and emerging small and mid-cap companies which are developing generative artificial intelligence technologies. With no risk- management strategies employed, this program is volatile in nature. An in-person or video interview with CB3’s portfolio manager is a requirement to opening an account trading “CB3 DS”. The REQUIRED opening account size is \$50,000.
5. ETF Strategies (ET). CB3 “ET” (Discretionary) program trades U.S. and International Exchange-Traded Fund (ETFs) EF is CB3’s “starter” account program for small accounts and/or new investors. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$50,000.

Future material updates to this document will be noted in this section and provided promptly to clients.

ADVISORY BUSINESS

A. CB3 Financial Group, Inc. (“CB3”)

CB3 was founded in 2006 and became registered as an investment adviser in November 2011 in the state of Illinois until December 2016. CB3 moved its offices to Wisconsin (2016) and back to Illinois (2017) registered as a Registered Investment Advisor there. In 2021, CB3 elected to relocate in Tennessee and register with this state. CB3's focus is to assist clients and their families, business entities, non-profits and other financial institutions with wealth planning and portfolio management. CB3 provides a variety of investment management services including actively managed equity and bond programs, derivative alternative investments, customized investment programs and financial planning services. CB3 is owned and controlled by two principal owners, Charles Ridgeley Pue Brown, III and Alice Ann Brown. CB3 does not control any other firms.

B. Services -

CB3 offers the management of investment advisory accounts, investment supervisory services, derivative alternative investments, financial planning, and financial consulting services. Investment management programs include both individually customized accounts and separately managed account programs.

Advisory services are provided for accounts opened at CB3, with assets held in custody at Interactive Brokers, LLC, (“IB”) a broker-dealer. The following describe the programs available through CB3:

CUSTOMIZED ASSET MANAGEMENT

CB3 offers asset management services to clients through four (4) customized programs. Each of the four customized programs is designed specifically for the client’s goals and risk tolerance. The four programs are listed and described on the following page. In such customized programs, clients may authorize a CB3 Investment Advisory Representative (“IAR”) to purchase and sell exchange traded funds, equities, fixed income securities, commodities, foreign exchange currencies, and other securities on a discretionary basis as authorized by the client through the execution of the Management Services Agreement. Under a discretionary agreement, CB3 IARs may buy, sell, or exchange securities without obtaining specific consent prior to each transaction.

In opening a customized managed account, the IAR obtains the necessary financial data from the client, assists the client in determining the suitability of asset management, and assists the client in setting the appropriate investment objective. The details of the account relationship will be stated in the client agreement for any customized program account; which typically includes the use of an investment policy statement or investment guidelines.

CB3 managed account programs are designed with unique objectives to suit most any person’s timeframe, risk tolerance and investment goals. Our four program’s names are, respectfully, Capital Growth, Diversified Growth, Strategic Growth, and Growth & Income. The program objectives are similar regardless of the account size. All programs trade individual stocks and Exchange Traded Funds (ETFs). The IAR may accept lower account amounts at his discretion.

Our menu of investment programs is shown on the following page.

Our Five Managed Programs are:

1. Speculative Opportunities (SO).

CB3 “SO” trades multi-asset class, multi-country, multi-currency assets across the world. SO is CB3’s only total-return program, meaning that it intends to produce a profit in “all weather” markets, whether asset prices are rising, falling, or are range-bound. CB3 uses extensive risk management strategies to seek profits in any market conditions. An in-person or video interview with CB3’s portfolio manager is a requirement to opening an account trading “CB3 SO”. The REQUIRED minimum opening account size is \$250,000.

2. Growth (CG).

CB3 “CG” trades multi-country, multi-currency assets across the world. Primarily, CG invests in individual equities of mega-, large-, mid-, and small cap companies. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$100,000.

3. Growth Income (GI).

CB3 “GI” trades U.S. based stocks, Exchange-Trade Funds (ETFs), and multi-asset funds. Primarily, GI invests in individual equities of dividend-producing companies. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$100,000.

4. Discretionary Strategies (DS).

CB3 “DS” programs trade aggressive high-tech and artificial intelligence stocks available around the world. DS is focused on targeted positions in mega-cap trillion-dollar companies and emerging small and mid-cap companies which are developing generative artificial intelligence technologies. With no risk- management strategies employed, this program is volatile in nature. An in-person or video interview with CB3’s portfolio manager is a requirement to opening an account trading “CB3 DS”. The REQUIRED opening account size is \$50,000.

5. ETF Strategies (ET)

CB3 “ET” (Discretionary) program trades U.S. and International Exchange-Traded Fund (ETFs) EF is CB3’s “starter” account program for small accounts and/or new investors. Risk management strategies are used to reduce losses in unfavorable market conditions. The REQUIRED minimum opening account size is \$50,000.

CB3 does not assure or guarantee the results of its Asset Management Services; thus, losses can, and do, occur from approach.

PERFORMANCE REVIEWS AND REPORTS

CB3 provides financial and consulting services. It also provides past performance reviews, evaluating the historical performance of the client's portfolio, comparing various aspects of such performance to benchmarks which are mutually agreed upon by the client and us. Account data will be derived from custodian statements for the agreed upon time period. We will not be responsible for verification of the information supplied by the custodian. We provide online performance monitoring reports, available 24/7. The reports evaluate the performance of the client's portfolio over various time periods, as well as comparing various aspects of such performance to benchmarks which CB3 tracks. Again, account data will be derived from custodian statements for each period, and CB3 will not be responsible for verification of the information supplied by the custodian.

MANAGEMENT FEES AND COMPENSATION

Management accounts are charged an “assets under management fee basis”, centered on the value of all securities in the account at the end of each trading day (252 trading days per year). Retail clients pay this.

Assets Under Management

Up to \$1,000,000	- 1.25%
\$1,000,001 - \$3,000,000	- 1.00%
\$3,000,001 - \$5,000,000	- .90%
\$5,000,001+	- .80%

In Illinois, unless a client has received the firm’s disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees.

A. Additional Fees-

Certain ETFs pay advisory fees to their investment advisors; which reduces the net asset value of the fund. Some ETFs are organized as unit investment trusts and do not have an investment advisor. However, all ETFs do incur expenses related to their management and administration that are analogous to an investment advisor’s management fee. These expenses affect the value of the investment. CB3 does not participate in any internal ETF management fee charges.

B. Prepayment of Fees-

Client fees for specific customized planning services may be charged in advance as described for the specific services above.

C. Wrap Fee Programs -

CB3 does not participate in wrap fee programs.

D. Management of Client Assets –

All of CB3 client assets are managed on a discretionary basis (approved by the client).

E. Other Compensation-

CB3 does not sponsor nor offer any proprietary securities products.

TYPES OF CLIENTS/MINIMUM ACCOUNT SIZE

Requirements for opening an account could vary depending on the program selected, but CB3 typically has a minimum account size requirement of \$500,000. The IAR may, at his discretion, accept accounts below the firm's minimum required amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK LOSS

A. Methods of Analysis and Investment Strategies -

CB3's main sources of information include, but are not limited to, financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, public filings and company press releases. CB3's security analysis methods include, but are not limited to charting (using charts to track individual security or market movements over time), fundamental (evaluating securities based upon its historical and projected financial performance), cyclical (determining the desirability of an issue based upon the status of an issue within the price cycle the security of similar securities have followed historically), technical analysis (examining technical moves in the price of an issue based upon peer securities or comparisons to an investment sector or index), tactical analysis, independent research, and asset allocation implementation strategies. Proprietary software programs can be used to identify market points where either “buy” or “sell” signals are recognized. These signals assist the managers in implementing the specified management strategies of the various managed programs. Quantitative analysis can also be used when analyzing securities. This analysis uses current and historical pricing information to help identify trends in the domestic, foreign, equity, commodity, foreign exchange (FOREX), and fixed income markets. Technical indicators such as moving averages and trend lines may be further used to identify entry and exit points. Various fundamental data such as overall economic conditions, industry outlook, interest rates and political climate are also considered.

B. Investment Strategy and Method of Analysis Risks -

All securities analysis methods and strategies, even those used by CB3, may involve a high degree of risk. losses may occur. The investment strategies CB3 uses involve multiple methods of analysis to produce a list of fundamentally and technically attractive investments. Various sectors and investments are compared based on relative strength and risk. Opportunities to invest are identified based upon the completed comparison and analysis.

There is no assurance that a positive return will be obtained in any managed investment account program. Neither CB3, the IAR, nor portfolio managers guarantee the performance of the account, nor promise any specific level of performance, nor promise that investment decisions, strategies or overall management of the account will be successful. Any investment decisions portfolio managers may make for clients are subject to various market, currency, economic, political, interest rate and business risks, will not necessarily be profitable, and are subject to investment risk, including possible loss of principal.

C. Security Specific Material Risks -

CB3 may recommend traditional exchange-traded funds (“ETF”) ETF shares, which are bought and sold at market price unlike mutual funds. ETFs are subject to risks similar to those of stocks.

DISCIPLINARY INFORMATION

A. Criminal or Civil Actions -

Neither CB3 nor any of its IARs or other related persons has been involved in a criminal or civil action in a domestic, foreign, or military court of competent jurisdiction to report.

B. Administrative Enforcement Proceedings -

Neither CB3 nor any of its IARs or other related persons has been party to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority to report.

C. Self-Regulatory Organization Enforcement Proceedings -

Neither CB3 nor any of its IARs or other related persons has been subject to a self-regulatory organization proceeding to report.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer or Representative Registration -

CB3 IARs are not licensed as registered representatives of any broker-dealer.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics Description -

IARs of CB3 may buy or sell securities for themselves that they also recommend to clients. Where a transaction for an IAR, or an account related to the IAR, is contemplated, a client's transaction is given priority or executed as a block trade. CB3 has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires, among other procedures, such "access persons to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for client's accounts. The Code also establishes certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest -

CB3 Financial Group, Inc. has no broker/dealer relationship with any broker/dealer.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest -

IARs of CB3 may buy or sell securities for themselves that they also recommend to clients. Where a transaction for an IAR, or an account related to an IAR, is contemplated, a client's transaction is given priority. *See "A" above.*

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Transactions and Conflicts of Interest -

See "A" above.

BROKERAGE PRACTICES

A. Factors Used to Select Broker-Dealers for Client Transactions

CB3 IARs use the custodial services of Interactive Brokers, LLC, member FINRA/SIPC (“IB”) known as a “Service Provider”.

In selecting custodial brokers for execution or recommendation to customers, CB3 considers the full range and quality of services, including the value of research provided, execution capability, commission rate, financial responsibility and responsiveness to CB3 to obtain the best execution for the client. CB3 periodically evaluates the custodial broker/dealers it selects or recommends for clients. However, by directing brokerage to Service Providers, CB3 may not be able to obtain the most favorable execution of client transactions, and this practice may cost clients more money.

CB3 does not process transactions through Service Providers in return for Service Providers referring new clients to CB3.

B. Aggregating Securities Transactions for Client Accounts -

When exercising discretion, CB3 may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and or execution. When a block order is executed, the broker/dealer executing the order typically allocates an average execution price to all shares in the block order, which CB3 then allocates to each customer's account position on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

REVIEW OF ACCOUNTS AND REPORTS

A. Review of Client Accounts on Non-Periodic Basis -

CB3 reviews accounts on an ongoing basis. IARs also may conduct more thorough reviews quarterly or annually, depending on the managed account program. CB3 supervisory personnel conduct reviews to evaluate consistency of performance compared to the client's investment objectives. The CB3 Compliance Department additionally conducts reviews through an annual internal audit program.

B. Content of Client Provided Reports and Frequency –

Clients receive a quarterly performance evaluation, a quarterly activity summary statement, confirmation of all transactions as they occur, and a year-end tax summary. All reports are provided in writing. Additional reports may be provided depending on the program and at the request of the client. All account statements are sent to the client directly from the custodian. CB3 can assist in providing these documents, if requested by the client.

CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits Provided to CB3 from External Sources and Conflicts of Interest -

CB3 does not have any business relationships which provide an economic benefit to CB3 for providing investment advice or other advisory services to clients.

B. Advisory Firm Payments for Client Referrals -

CB3 does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it. Also, as stated earlier, the firm does not direct brokerage transactions to any third party in return for client referrals.

CUSTODY

CB3 does not, under any condition, custody client assets. It uses an independent third-party custodian to hold all client securities and assets. Clients receive monthly or quarterly statements, as well as trade confirmations, directly from the custodian. The custodian is Interactive Brokers, LLC

In selecting custodial brokers for execution or recommendation to customers, the firm considers the full range and quality of services, including the value of research provided, execution capability, commission rate, financial responsibility and responsiveness to CB3 in order to obtain the best execution for the client. CB3 periodically evaluates the custodial broker/dealers it selects or recommends for clients.

INVESTMENT DISCRETION

When providing Investment Management Services, CB3 IARs may exercise discretion when granted authority by clients and all CB3 clients grant discretionary authority to CB3. When doing so, it allows CB3 to select the securities to buy and sell, the amount to buy and sell, when to buy and sell, and the commission rate paid, without obtaining specific consent from the client for each trade. Clients should be aware that CB3 IARs may make different recommendations and effect different trades with respect to the same securities and insurance to different advisory clients. Commissions and execution of securities transactions implemented through the custodian/broker dealer recommended by CB3 may not be better than the commissions or execution available if the client used another brokerage firm. However, CB3 believes that the overall level of services and support provided to the client by custodians and broker-dealers whom CB3 recommends outweighs the potentially lower costs that may be available from other brokerage service providers. Restrictions to the discretionary agreement may be made by the client prior to opening or at any time after the account is established. Any restrictions made on the account must be submitted in writing and signed by the client. Restrictions may be placed by the client to prohibit certain investments from being made. For example, a client may not want investments in certain geographical regions or with companies involved with certain activities. CB3 will honor these requests, if possible, or make alternate recommendations for how it will handle the clients' account management.

Depending on the service agreement, third-party managers used to manage client accounts or portions of client accounts may be hired or terminated by CB3 using discretionary authority granted to CB3 by a client. Such third-party managers also have authority granted by the client to purchase and sell securities at their discretion.

VOTING CLIENT SECURITIES

CB3 does not accept authority to vote client securities. All proxy votes are sent directly to the client for their evaluation and execution. CB3 advisors may offer educational guidance on the various issues subject to voting, but will not recommend a certain vote, or offer to vote on behalf of the client.

FINANCIAL INFORMATION

A. Balance Sheet-

CB3 does not require or solicit prepayment of fees, thus no financial statement for CB3 is attached.

B. Discretionary Authority or Custody of Securities -

CB3 has discretionary authority (authorized by the client) of client funds or securities. CB3 does not have custody of any client monies.

C. Financial Conditions Reasonably Likely to Impair CB3's ability to Meet Commitments to Clients -

CB3 does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.

D. Bankruptcy Petitions During the Past Ten Years -

CB3 has not been subject of a bankruptcy petition at any time during the past ten years.

REQUIREMENTS FOR REGISTERED ADVISORS

A. Principal Executive Officers and Management Persons -

See the attached Schedule(s) ADV part 2B for background information about management personnel and those giving advice on behalf of CB3.

B. Other Business Activities Engaged In -

CB3 and its supervised persons are not engaged in any business not described in this Brochure.

C. Performance Based Fee Description -

Neither CB3 nor its supervised persons are compensated for advisory services with performance-based fees.

D. Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons -

Neither CB3 nor any of its management persons has been involved with (1) any arbitration claims of any kind; (2) any self-regulatory organization or administrative proceeding of any kind other than as specified in response to Item #9.

E. Material Relationships with Issuers of Securities -

Neither CB3 nor any of its management persons have a relationship with an issuer of securities.

END OF DOCUMENT