

Zero Gravity Financial, LLC

Registered Investment Advisor

Zero Gravity Financial, LLC
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Brooklyn, NY 11201
646-780-9840
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January 7, 2019

Form ADV Part 2A

This brochure provides information about Zero Gravity Financial, LLC and its qualifications, business practices, and nature of services that should be considered before becoming an advisory client. If you have any questions about the contents of this brochure, please contact us at 646-780-9840. 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.

Zero Gravity Financial, LLC is a registered investment adviser. While the firm and its associates may be registered and/or licensed within a particular jurisdiction, it does not imply a certain level of skill or training on the part of the firm or its associated personnel.

Additional information about Zero Gravity Financial, LLC is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

There have been material changes to the pricing for financial planning and investment management services. The annual price is now a flat fee of \$4,000 per year.

Whenever you would like to receive a copy of our Firm Brochure, please contact us by phone 646-780-9840 or email info@zerogravityfinancial.com.

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Item 4: Advisory Business

Firm Description

Zero Gravity Financial, LLC (ZGF) is registered as an Investment Adviser with the State of New York. The company was founded in 2014. Lori Dietzler is the firm's principal owner. As of January 7, 2019, ZGF manages \$2,550,000 on a discretionary basis.

Our Services

Zero Gravity Financial, LLC provides fee-only financial planning and investment management services that focus on each client's goals, objectives and risk tolerance.

During or prior to your first meeting with our firm, you will be provided with a current ADV Part 2 advisory brochure and Privacy Policy. If you retain our services, you must first enter into a service agreement with us, setting forth the terms and conditions of the engagement. Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the service agreement, the agreement may be terminated by you within five (5) business days of signing the contract without penalty.

Throughout the course of the year, we will jointly review your goals (full list below). You will receive a written or an electronic report with an overview of your current financial condition and our recommendations for achieving your goals and mitigating your risks.

Clients will have regularly scheduled meetings throughout the term of engagement that includes in person, virtual, or phone calls. Clients will also get continuous access to a planner who will help them implement recommendations and monitor and update their plan.

You will be responsible for providing information about your financial circumstances and objectives. Moreover, it is your responsibility to notify us if there is ever any change in your financial situation or investment objectives for the purpose of revising previous recommendations and/or services. You retain absolute discretion and are free to accept or reject our recommendations.

Financial Planning Services

We provide financial planning over the course of year that may include:

- **Tax Planning:** Understanding your current tax rate and ways to minimize current and future income taxes. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state, or local tax laws and rates that may impact your situation. We recommend consulting with a qualified tax professional before initiating any tax planning strategy.
- **Investment Review:** Advise and make recommendations on an asset allocation based on your age, goals, and risk tolerance.
- **Real Estate:** Analysis and advice on the role that real estate (both residential and rental) plays in your total picture and how to best balance the risks and potential rewards of real estate ownership.
- **Business Planning:** Provide consulting services for clients who operate their own business.
- **Education Planning:** Project the amount that will be needed to achieve K-12 or post-secondary funding goals, along with advice on ways for you to save the desired amount.
- **Budgeting:** A top down approach on how much you are saving each month for short and long term goals.

- Insurance: Review existing policies to ensure proper coverage for life, health, disability, liability, home and auto.
- Estate Planning: Analyze your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice may include ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities.

Investment Management Services

We provide investment management services and can be provided discretionary authority by the client. When we are given discretionary authority, we conduct trades in a client's account and give instructions to the account's custodian without prior consent of the client. The asset allocation strategy will be based on a client's age, life goals, and investment risk tolerance. These services may include:

- Fund selection based on low cost passive index funds
- Advanced tax planning
- Monitoring & rebalancing accounts to your agreed investment allocation

Types of Investments

We primarily offer advice on exchange traded funds (ETFs) and any type of investment that we deem appropriate based on your stated goals and objectives. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing. We do not advise our clients to invest in individual stocks and bonds.

Wrap Fee Program

We do not participate in any wrap fee programs.

Item 5: Fees and Compensation

Zero Gravity Financial, LLC is fixed fee-only and does not receive commission for selling investment or insurance products.

Our current fee is \$4,000 annually per client for a minimum one-year period. The client agrees to the price, duration, defined hours and estimated meetings prior to beginning any work. After the first year, ongoing services are provided on a quarterly basis.

If we manage your investment account(s), you will be charged \$1,000 in arrears at the end of each quarter, not to exceed 2% of client assets under management.

We may choose to work with a client on an hourly basis at \$350 per hour. If a client exceeds the defined hours, additional time will be charged at our hourly rate, which may be negotiable depending upon the nature and complexity of the client's circumstances. No increase in the annual fee structure will be effective without agreement from the client by signing a new service agreement.

Payment of Fees

For financial planning services, accepted payment methods are check, ACH or credit card. When you sign the service agreement for financial planning services, payment of an upfront fee is due. For investment management services, once approved by you, your custodian will directly debit your account(s) \$1,000 in arrears at the end of each quarter for the payment of our service fees. You will receive trade confirmations and monthly or quarterly account statements from your custodian. The account statements

from your custodian(s) will indicate the amount of our service fees deducted from your account(s) each billing period. You should carefully review your account statements for accuracy.

Additional Fees and Expenses

The fees that you pay to our firm for portfolio management services are separate and distinct from the fees and expenses charged by your custodian to provide services related to record keeping, tax reporting and statement production, including administrative fees, nominal trade ticket charges, regulatory transaction, termination or banking fees. Additional fees may be charged by the investments themselves (described in each fund's prospectus) including management fees and other fund expenses. No portion of these fees are retained or remitted to us. Although not the only determining factor, we make an effort to take into account the impact of fees when determining which funds will be used for your account. For information on our brokerage practices, please refer to the "*Brokerage Practices*" section of this brochure.

Termination of Services

The Service Agreement between the firm and the client will continue in effect until terminated by either party with written notice at least 30 calendar days in advance. If the Service Agreement is executed or terminated at any time other than the first day of a billing period, our fee will apply on a pro rata basis, which means that the services fee is payable in proportion to the number of days which you are a client. We reserve the right to stop work on any account that is more than 30 days overdue or where a client has willfully concealed or refused to provide information when necessary and appropriate, in our judgment, to providing proper financial advice.

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

We are committed to a passive investing philosophy and do not charge performance-based fees.

Item 7: Types of Clients

Our firm works primarily with individuals and families.

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

Methods of Analysis and Investment Strategies

We may utilize the following methods of analysis or investment strategies when providing investment advice to you:

Technical Analysis - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Risk: The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities

prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

Risk: The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Risk: If the value of the shares drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Risk: Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies may vary depending upon each client's specific situation. As such, we determine investments and allocations based upon your current financial situation, time horizon, risk tolerance, liquidity needs, and goals and objective. Your restrictions and guidelines may affect the composition of your portfolio.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer

any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Security Types

As disclosed under the “*Advisory Business*” section in this brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Item 9: Disciplinary Information

Neither the firm nor its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our offering advisory business or its integrity.

Item 10: Other Financial Industry Activities and Affiliations

Neither Lori Dietzler nor any employees of ZGF are registered, or applying to register as a broker-dealer or a registered representative of a broker-dealer, nor a futures commissions merchant, commodity pool operator, commodity trading advisor.

Neither Lori Dietzler nor any employee of ZGF has a relationship with a broker dealer, municipal securities dealer, government securities dealer or broker, investment company, outside investment adviser, banking or thrift institution, accounting firm, law firm, insurance agency, pension consultant, real estate broker, sponsor or syndicator of limited partnerships.

ZGF receives no compensation from outside investment advisers, and receives no compensation other than the flat fees paid by the firm’s clients.

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

Code of Ethics

As a Registered Investment Advisor, we have a fiduciary duty to our clients. Our goal is to protect your needs above all other interests or conflicts at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of financial planning and investment advisory services disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to clients or securities in which clients are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of our clients and potentially receive more favorable prices than they 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 Parties

Custodian and/or Broker/Dealers Selection

For the selection of custodians and/or Broker/Dealers, our general guiding principle is to obtain the best overall execution for each client in each trade, which is a combination of price and execution. With respect to execution, we consider a number of judgmental factors, including, without limitation, the actual handling of the order, the ability of the broker to settle the trade promptly and accurately, the financial standing of the broker, the ability of the broker to position stock to facilitate execution, our past experience with similar trades and other factors that may be unique to a particular order.

Recognizing the value of these judgmental factors, we may recommend or select brokers who charge a brokerage commission that is higher than the lowest commission that might otherwise be available for any given trade. **Zero Gravity Financial, LLC does not receive fees or commissions from any of these arrangements.**

Zero Gravity Financial, LLC does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. We recommend custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

We periodically review the custodians and broker/dealers for their range and quality of services, reasonableness of fees, among other items, and in comparison to their industry peers. **Zero Gravity Financial, LLC does not receive any portion of the trading fees.**

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Block Trading

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as “block trading”). Accordingly, clients may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for clients and they may pay higher commissions, fees, and/or transaction costs than other clients.

Item 13: Review of Accounts

For clients who use our investment management services, we conduct reviews at least quarterly and upon your request to ensure that the services provided to you remains consistent with your stated investment needs and objectives. During your annual meeting, we will review and update your financial plan in person, or via phone call/video conference. It remains your responsibility to advise ZGF of any changes in your financial situation. You will receive trade confirmations and monthly or quarterly statements from your account custodian.

Item 14: Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing financial planning or investment advice to you nor do we compensate any individual or firm for client referrals. Please refer to our “Brokerage Practices” section above for disclosures on research and other benefits we may receive resulting from our relationship with custodians and/or broker/dealers.

Item 15: Custody

We do not take custody of client assets or provide custodial services apart from authorized fee withdrawals. All clients work with a third-party custodian for handling of cash and securities, from which clients receive monthly (or quarterly) brokerage statements, and tax reporting. Clients who elect to have fees deducted from custodial accounts recognize that this fee is \$4,000 per year, billed quarterly at \$1,000 and is charged in arrears. Clients will sign a service agreement to authorize this fee deduction. Clients will receive quarterly invoices detailing this fee and its calculation, as well as quarterly statements from the custodian showing this fee debited from their accounts. You should carefully review account statements for accuracy. At this time, we do not provide performance reports or net worth statements to clients.

Item 16: Investment Discretion

As outlined in our account agreement, Zero Gravity Financial accepts discretionary authority over clients' investment account(s) under our management, including the type of security and number of shares. However, we prefer to discuss all transactions with clients before any trades are placed in client accounts. Having discretion over mutual fund and ETF trades allows us to be more flexible for those clients who prefer not to discuss each trade with us.

Item 17: Voting Client Securities (Proxy Voting)

Zero Gravity Financial, LLC 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

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

Item 19: Requirements for State-Registered Advisers

Refer to Part 2B for background information about management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any business other than giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the "Performance-Based Fees and Side-By-Side Management" section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

Form ADV Part 2B - Brochure Supplement

This brochure supplement provides information about Lori Dietzler that supplements the Zero Gravity Financial, LLC advisory brochure referenced in the preceding pages. You should have received a copy of that brochure. If you did not receive Zero Gravity Financial, LLC's brochure or if you have any questions about the contents of this supplement, please contact us at 646-780-9840. Additional information about Lori Dietzler and Zero Gravity Financial, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 1: Firm Information

Zero Gravity Financial, LLC
155 Water St
Brooklyn, NY 11201
646-780-9840
www.zerogravityfinancial.com
lori@zerogravityfinancial.com

Item 2: Educational Background and Business Experience

Managing Member, Investment Advisor Representative

Lori Dietzler (Born 1970)

Educational Background and Business Experience

Educational Background

- CERTIFIED FINANCIAL PLANNER™, Certified Financial Planner Board of Standards, Inc
- Enrolled Agent, Internal Revenue Service
- Notary Public, NYS Department of State
- Certificate in Financial Planning, NYU SCPS, New York
- Bachelor of Arts, cum Laude, Classical Languages, Lenoir-Rhyne University, North Carolina

Business Experience

- Zero Gravity Financial, LLC, Managing Member, 2013-Present
- Dietzler Financial Services, Consultant, 2010-2013
- Advent Software, Operations Advisor, 2008-2010
- Morgan Stanley, Financial Services, 2002-2008

Item 3: Disciplinary Information

Ms. Dietzler does not have, nor has she ever had, any disciplinary disclosure.

Item 4: Other Business Activities

Ms. Dietzler is a public notary for the State of New York. She spends less than 5% of her professional time on this business activity.

Item 5: Additional Compensation

Lori Dietzler does not receive any additional compensation for providing advisory services beyond that received as a result of her capacity as Founding Principal of Zero Gravity Financial, LLC.

Item 6: Supervision

Lori Dietzler is the owner and sole investment adviser representative of Zero Gravity Financial, LLC and is not supervised by other persons.

Item 7: Requirements for State Registered Advisers

Lori Dietzler does not have, or has ever had, any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.