

# The Patriot Financial Group

## The Patriot Financial Group Insurance Agency, LLC

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of The Patriot Financial Group Insurance Agency, LLC d/b/a The Patriot Financial Group and/or the d/b/a names listed below:

The Patriot Financial Group | Corner Office Advisory Group | New England Retirement Solutions, LLC<sup>®</sup> | Provo Wealth Management Group | Joffrey Smith Financial Group | Riverside Wealth Management | Legacy Wealth Management | Comprehensive Wealth Planners at Dean Bank | Summit Star Advisory | Rollover Advisory Services | McLaughlin Financial Consulting | BG Financial Services Group | Black Diamond Advisory Services, LLC | Peterkin Advisory Services

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**July 27, 2018**

### **NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY**

All the material within this Disclosure Brochure must be reviewed by those who are considering becoming a Client of our firm. If you have any questions about the contents of this Disclosure Brochure, please contact us at (508) 251-6100. In accordance with federal and state regulations, this Disclosure Brochure is on file with the appropriate securities regulatory authorities as required. The information provided within this Disclosure Brochure is not to be construed as an endorsement or recommendation by state securities authorities in any jurisdiction within the United States, or by the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. The Patriot Financial Group is an SEC registered investment advisor. Registration of a registered investment advisor does not imply any level of skill or training. Additional information about The Patriot Financial Group and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for with firm name or by our CRD# 172470.

## **Item 2 – Material Changes**

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

- The Advisor has appointed Caitlyn Frament as Chief Compliance Officer.
- The Advisor may recommend Securities America, Inc. as the Custodian for Clients.
- Advisory Persons are registered representative of Securities America, Inc.

We will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days following the close of our fiscal year end. We may further provide other ongoing disclosure information about material changes as necessary. We will further provide you with a new Disclosure Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Disclosure Brochure may be requested by contacting us at (508) 251-6100. We welcome visitors to our Web Site at [www.patriot-financial-group.com](http://www.patriot-financial-group.com) for a comprehensive overview of our firm and the professional services we offer. Prospective clients may download a copy of our Disclosure Brochure directly from our website at their convenience, without charge.

Additional information about The Patriot Financial Group is also available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or by our CRD# 172470. The SEC's website also provides information about any Advisory Persons affiliated with The Patriot Financial Group who are registered as Investment Advisor Representatives of The Patriot Financial Group.

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## **Item 4 – Advisory Business**

The Patriot Financial Group Insurance Agency, LLC d/b/a The Patriot Financial Group (herein “The Patriot Financial Group” or the “Advisor”) is registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Patriot Financial Group is organized as a limited liability company (“LLC”) under the laws of the Commonwealth of Massachusetts. The Patriot Financial Group became an LLC in Massachusetts in April 2004 and in September 2014, The Patriot Financial Group became a registered investment advisor with the SEC in order to achieve a greater degree of independence and operational efficiency. The Patriot Financial Group is owned and operated by David M. O’Donnell (President), Michael P. Tashjian (Chief Executive Officer) and Caitlyn Frament (Chief Compliance Officer).

The Patriot Financial Group offers services through our Advisory Persons. Advisory Persons may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials and/or Client statements. The Client should understand that the businesses are legal entities of the Advisory Person and not of The Patriot Financial Group. The Patriot Financial Group conducts advisory business under the following additional business names (d/b/a names):

The Patriot Financial Group | Corner Office Advisory Group | New England Retirement Solutions, LLC® | Provo Wealth Management Group | Joffrey Smith Financial Group | Riverside Wealth Management | Legacy Wealth Management | Comprehensive Wealth Planners at Dean Bank | Summit Star Advisory | Rollover Advisory Services | McLaughlin Financial Consulting | BG Financial Services Group | Black Diamond Advisory Services, LLC | Peterkin Advisory Services

The Advisory Persons are under the supervision of The Patriot Financial Group, and the advisory services of the IAR are provided through The Patriot Financial Group. The Patriot Financial Group has the arrangement described above as disclosed in each Advisory Person’s respective Brochure Supplement. Advisory Persons provide services and charge fees based in accordance with the descriptions detailed in this Disclosure Brochure and the terms of the Client agreement. However, the exact service and fees charged to the Client are dependent upon the Advisory Person that is working with the Client. Advisory Persons are appropriately licensed, and authorized to provide advisory services on behalf of The Patriot Financial Group.

The Advisor serves as a fiduciary to each Client, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

The Patriot Financial Group provides fee based investment advisory services primarily to individual retail clients and small businesses, high-net worth individuals, pension and profit sharing plans as well as non-profit organizations (each a “Client”).

### **Investment Management Services**

The Patriot Financial Group provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary and non-discretionary investment management and related advisory services. The Patriot Financial Group works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. The Patriot Financial Group will then construct a portfolio, consisting of diversified mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks, bonds, variable annuity sub-accounts, real estate investment trusts (“REITs”) and other types of investments, as appropriate to meet the needs of its Clients. The Advisor may retain certain types of investments based on a Client’s legacy portfolio construction.

The Patriot Financial Group’s investment strategies is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. The Patriot Financial Group will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

The Patriot Financial Group evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. The Patriot Financial Group may recommend, on occasion, redistributing investment allocations to diversify the portfolio. The Patriot Financial Group may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. The Patriot Financial Group may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

At no time will The Patriot Financial Group accept or maintain custody of a Client's funds or securities. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the Client investment advisory agreement. For additional information, please see Item 12 – Brokerage Practices and Item 15 – Custody.

*Use of Independent Managers* - The Patriot Financial Group may recommend to Clients that all or a portion of their investment portfolio be implemented by utilizing one or more unaffiliated money managers or investment platforms (collectively "Independent Managers"), which are available through the recommended Custodians. The Client may be required to enter into a separate agreement with the Independent Manager[s]. The Patriot Financial Group serves as the Client's primary advisor and relationship manager. However, the Independent Manager[s] will assume discretionary authority for the day-to-day investment management of those assets placed in their control. The Patriot Financial Group will assist and advise the Client in establishing investment objectives for their account[s], the selection of the Independent Manager[s], and defining any restrictions on the account[s]. The Patriot Financial Group will continue to provide oversight of the Client's account[s] and ongoing monitoring of the activities of these unaffiliated parties.

The Independent Manager[s] will implement the selected investment strategies based on their investment mandates. The Client may be able to impose reasonable investment restrictions on these accounts, subject to the acceptance of these third parties.

The Client, prior to entering into an agreement with an Independent Manager, will be provided with the Form ADV Part 2A (or a brochure that makes the appropriate disclosures) of those parties. The Patriot Financial Group does not receive any compensation from these Independent Managers or Investment Platforms, other than The Patriot Financial Group's investment advisory fee, as described in Item 5.

*Securities America Platform* - The Patriot Financial Group, through its relationship with Securities America, may establish Client account[s] in the Managed Opportunities Program ("Managed Opportunities") sponsored by Securities America Advisors, Inc. ("SAA"). Managed Opportunities is a wrap fee program developed by SAA that provides Clients with the opportunity to establish mutual fund portfolios, separate account portfolios and unified managed account portfolios developed by third party money managers who are registered as investment advisors (collectively referred to as sub-advisors).

Through Managed Opportunities, The Patriot Financial Group acts as a referral party when referring the Client into the mutual fund portfolios, separate account portfolios and unified managed account portfolios options in Managed Opportunities. Administrative, website, performance reporting, transaction order entry services and other services are provided to The Patriot Financial Group by outside service providers and sub-advisors. The Client grants The Patriot Financial Group and its Supervised Person[s] the discretionary authority to select one or more sub-advisors to provide those services to the Client and the Advisor. All administrative, website, performance reporting, transaction order entry and other sub-advisory services are currently provided by Envestnet, Inc. through its registered investment advisor Envestnet Asset Management, Inc. ("Envestnet"), as a sub-advisor to SAA. Clients establishing Managed Opportunities Program account[s] receive a copy of Envestnet's Disclosure Brochure in addition to our Disclosure Brochure. Securities America processes all transactions in Managed Opportunities Program account[s]. SAA and Envestnet are separate entities and are not affiliated with The Patriot Financial Group.

Managed Opportunities offers the Advisor directed portfolios through which The Patriot Financial Group can work and advise the Client in selecting investments constituting a portion of Managed Opportunities. The Client's portfolio may also be managed by SAA or other sub-advisors that SAA has established relationships with. The Client grants SAA and the sub-advisors limited discretionary authority with respect to the purchase and sale of securities in mutual fund portfolios, separate account portfolios and unified managed account portfolios. The Client also grants The Patriot Financial Group discretionary authority with respect to the initial Managed Opportunities master account and advisor directed portfolios. This discretionary authority allows the Advisor to trade, rebalance, reallocate and replace funds within the guidelines of the Client's suitability and risk tolerance.

The Patriot Financial Group does not refer the Client to SAA unless SAA and the sub-advisors are registered or are exempt from registration as investment advisors in the Client's state of residence. The Client grants SAA the discretionary authority to select one or more sub-advisors to provide administrative, web site, performance reporting, transaction order entry and other services to SAA and Clients. SAA currently has a relationship with Envestnet to provide these services. Clients establishing Managed Opportunities accounts receive Envestnet's Disclosure Brochure in addition to SAA's Disclosure Brochure.

The Patriot Financial Group is always responsible for assisting the Client with identifying your risk tolerance and investment objectives and is available to meet on a continuous basis. The Advisor recommends managers and helps determine appropriate investment strategies in relation to the Client's stated investment objectives and risk tolerance. Although the third-party investment managers are responsible for making all investment decisions, The Patriot Financial Group is available to answer questions the Client may have regarding the account[s] and act as the communication conduit between the Client and the investment manager.

Although the Advisor reviews the performance of numerous third-party investment managers, The Patriot Financial Group is only able to select the investment managers approved by SAA and thus available on the Managed Opportunities platform. Therefore, The Patriot Financial Group has a conflict of interest because we do not recommend third-party investment managers to you if the investment manager is not available through Managed Opportunities.

Trading by Managed Opportunities money managers may trigger wash sale rule implications. SAA does not manage accounts in the Managed Opportunities in a way to avoid wash sale implications. The Client is encouraged to consult with a tax advisor to discuss any tax implications involving your portfolios in Managed Opportunities.

The Client is advised that there may be other third-party managed programs, not recommended by the Advisor, that are suitable for the Client and that may be more or less costly than arrangements recommended by The Patriot Financial Group. No guarantees can be made that financial goals or objectives will be achieved by a third-party investment advisor recommended by the Advisor. Further, no guarantees of performance can ever be offered by The Patriot Financial Group.

#### **Financial Planning Services**

As part of our financial planning services, The Patriot Financial Group may provide personal financial planning tailored to the individual needs of the Client. These services may include, as selected by the Client on the financial planning agreement, information and recommendations regarding tax planning, investment planning, retirement planning, estate needs, business needs, education planning, life and disability insurance needs, long-term care needs and cash flow/budget planning. The services take into account information collected from the Client such as financial status, investment objectives and tax status, among other data.

Financial planning recommendations may pose a conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### **Hourly Consulting Services**

The Patriot Financial Group, through its Advisory Persons, may provide consulting services on an hourly basis. These services may include, as selected by the Client in the consulting agreement, advice regarding tax planning, investment planning, retirement planning, estate planning, cash flow/budget planning, business planning, education planning, insurance needs and personal financial planning. The services take into account information collected from the Client such as financial status, investment objectives and tax status, among other data. The Advisory Persons may or may not deliver to the Client a written analysis or report as part of the services. The Advisory Persons tailor the hourly consulting services to the individual needs of the Client based on the investment objective, selected by the Client. The engagement terminates upon final consultation with the Client. Fees for such services are negotiable and detailed in the Client agreement.

#### **Retirement Plan Advisory Services**

Advisory Persons of The Patriot Financial Group may assist Clients that are trustees or other fiduciaries to retirement plans ("Plans") by providing fee-based consulting and/or advisory services. Investment advisor representatives may

perform one or more of the following services, as selected by the Client in the Client agreement:

- assist the Plan in preparation or review of an investment policy statement (“IPS”) for the plan based upon consultation with Client;
- on a discretionary basis select the designated diversified investment options from which plan participants may choose, preparation and maintenance of an investment policy statement (“IPS”), provide ongoing quarterly investment monitoring, using Firm approved System and Tools;
- recommend for consideration and selection by Client, specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the Plan. Investment Advisor Representative will recommend, for consideration and selection by Client, investment replacements if an existing investment is determined by the Client to no longer be suitable as an investment option. Investment Advisor Representative will perform ongoing quarterly monitoring of investment options in relation to the criteria provided by the Client to the Investment Advisor Representative using a Firm approved System and Tools;
- perform ongoing quarterly monitoring of investment options in relation to the criteria provided by the Client to the Investment Advisor Representative using a Firm approved System and Tools;
- assist Client in identifying an investment product or model portfolio in connection with the definition of a “Qualified Default Investment Alternative” (“QDIA”) under ERISA (for Plans subject to ERISA);
- recommend, for consideration and approval by Client, (i) asset allocation target-date or risk-based model portfolios for the Plan to make available to Plan participants, and (ii) funds from the line-up of investment options chosen by the Client to include in such model portfolios;
- prepare periodic reports (no less than annually) reviewing the performance of all Plan investment options, as well as comparing the performance thereof to benchmarks with Client. The information used to generate the reports will be derived directly from information such as statements provided by Client, investment providers and/or third parties;
- assist the Plan by acting as a liaison between the Plan and service providers, product sponsors and/or vendors. In such cases, Investment Advisor Representative shall act only in accordance with instructions from the Client on investment or Plan administration matters and shall not exercise judgement or discretion;
- provide education, training, and/or guidance, for the members of the Plan Committee with regard to plan features, retirement readiness matters, or duties and responsibilities of the Committee, including education with respect to fiduciary responsibilities;
- assist Client in enrolling Plan participants in the Plan, including conducting an agreed upon number of enrollment meetings. As part of such meetings, Investment Advisor Representative will provide participants with information about the Plan, which may include information on the benefits of Plan participation, the benefits of increasing Plan contributions, the impact or preretirement withdrawals on retirement income, the terms of the Plan and the operation of the Plan;
- assist with participant education, which may include preparation of education materials and/or conducting investment education seminars and meetings for Plan participants. Such meetings, may be on a group or individual basis, and may include information about the investment options under the Plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings shall not include specific investment advice about investment options under the Plan as being appropriate for a particular participant, but may include use of educational investment models;
- assist (periodically as appropriate according to industry standards) with the preparation, distribution and evaluation of Request for Proposals, finalist interviews, and conversion support;
- periodically provide Client with comparisons of Plan data (e.g., regarding fees, services, participant enrollment and contributions) to data from the Plan’s prior years and/or a benchmark group of similar plans; and
- assist client in identifying the fees and other costs borne by the Plan for, as specified by client, investment management, recordkeeping, participant education, participant communication and/or other services provided with respect to the Plan.

If the Plan makes available publicly traded employer stock (“company stock”) as an investment option under the Plan, Advisory Persons do not provide investment advice regarding company stock and are not responsible for the decision to offer company stock as an investment option. In addition, if participants in the Plan may invest the assets in their accounts through individual brokerage accounts, a mutual fund window, or other similar arrangement, or may obtain participant loans, Advisory Persons do not provide any individualized advice or recommendations to the participants regarding these decisions. Furthermore, Advisory Persons do not provide individualized investment advice to Plan



participants regarding their Plan assets.

*Retirement Plan Rollovers – No Obligation / Potential for Conflict of Interest.* A Client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the Client's age, result in adverse tax consequences). If the Advisor recommends that a Client roll over their retirement plan assets into an account to be managed by the Advisor, such a recommendation creates a conflict of interest if the Advisor will increase its advisory fee as a result of the rollover. To the extent that Advisor recommends that Clients roll over assets from their retirement plan to an IRA managed by Advisor, then Advisor represents that it and its investment adviser representatives are fiduciaries under the Employment Retirement Income Security Act of 1974 ("ERISA"), or the Internal Revenue Code, or both. No Client is under any obligation to roll over retirement plan assets to an account managed by Advisor. The Advisor's Chief Compliance Officer, Caitlyn Frament, remains available to address any questions that a Client or prospective client may have regarding the potential for conflict of interest presented by such a rollover recommendation.

*ERISA / IRC Fiduciary Acknowledgment.* If the Client is: (i) a retirement plan ("Plan") organized under ERISA; (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an IRA acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then the Advisor represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by the Advisor or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

We may agree to act as an "investment manager" to the Plan as defined under ERISA Section 3(38) with respect to any asset allocation models that are managed by the firm on a discretionary basis and included among the investment alternatives from which a participant may choose in managing his/her individual retirement account.

### **Wrap Fee Program**

The Patriot Financial Group may include securities transaction fees together with its investment advisory fees. Including these fees into a single asset-based fee is considered a "Wrap Fee Program". The Advisor customizes its investment management services for its Clients. The Advisor sponsors The Patriot Financial Group Wrap Fee Program solely as a supplemental disclosure regarding the combination of fees. Depending on the level of trading required for the Client's account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 –Wrap Fee Program Brochure, which is included as a supplement to this Disclosure Brochure.

Additionally, the Advisor may recommend the Managed Opportunities Program which is a wrap fee program sponsored by Securities America.

### **Assets Under Management**

As of December 31, 2017, the firm has managed \$243,196,552 in discretionary assets and \$79,302,036 in non-discretionary assets totaling \$322,498,588 in assets under management. Clients may request more current information at any time by contacting the Advisor.

## **Item 5 – Fees and Compensation**

### **Investment Management Services**

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees range up to 2.50% annually based on several factors, including: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fee will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by The Patriot Financial Group will be independently valued by the Custodian, as discussed in Item 12. The Patriot Financial



Group will not have the authority or responsibility to value portfolio securities.

Investment advisory fees are calculated by the Custodian and deducted from the Client's account[s]. The Client shall instruct the Custodian to automatically deduct the investment advisory fee from the Client's account[s] for each billing period and pay the investment advisory fee[s] to the Advisor. The Custodian will utilize the fee rate, as defined in the advisory agreement, to indicate the fee to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with The Patriot Financial Group at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's quarterly statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting the Custodian to pay The Patriot Financial Group by direct deduction from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

The Patriot Financial Group is compensated for its investment management services in advance of the quarter in which investment advisory services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### **Use of Independent Managers**

Client account[s] implemented through Independent Manager[s] will be billed in accordance to the separate agreement[s] with the respective parties. The Client's fee will include The Patriot Financial Group's investment advisory fee (as noted above) plus advisory fees and/or platform fees charged by the Independent Manager[s], as applicable. The Independent Manager may assume responsibility for calculating the Client's fees and deduct all fees from the Client's account[s] or such fees may be billed separately. Either way, The Patriot Financial Group shall only earn fees consistent with its fee schedule above.

In the event that a Client should wish to terminate their relationship with an Independent Manager, the terms for termination will be set forth in the respective agreements between the Client and those Independent Manager[s]. The Patriot Financial Group will assist the Client with the termination and transition as appropriate.

#### **Securities America Platform**

The annual management fee is negotiable, with 3.00% being the maximum fee charged. If the account has only mutual funds, then the maximum fee is 2.25%. Fees are billed monthly. SAA is responsible for collecting all fees paid by the Client through these programs and then journaling The Patriot Financial Group a portion of the advisory fees. In the event that a Client should wish to terminate their relationship with SAA, the terms for termination will be set forth in the respective agreements between the Client and those third parties. The Patriot Financial Group will assist the Client with the termination and transition as appropriate.

#### **Financial Planning Services**

The Patriot Financial Group offers financial planning services either on an hourly or fixed fee basis. Hourly engagements range up to \$500 per hour. Fixed fee engagements are offered based on the expected effort and duration at the Advisor's hourly rate. Fees may be negotiable based on the nature and complexity of the services to be provided and the overall relationship with the Advisor. An estimate for total hours and total costs will be provided to the Client prior to engaging for these services.

Financial planning fees may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed upon deliverable[s].

The Patriot Financial Group requires an advance deposit as described above. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid planning fees from the effective date of termination. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

**Consulting Services**

The Patriot Financial Group offers hourly consulting services on an hourly basis. Hourly engagements range up to \$500 per hour. Fees may be negotiable based on the on the nature and complexity of the services to be provided and the overall relationship with the Advisor.

Hourly consulting fees may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of consulting services.

The Patriot Financial Group requires an advance deposit as described above. Either party may terminate the consulting agreement, at any time, by providing advance written notice to the other party. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid planning fees from the effective date of termination. The Client's consulting agreement with the Advisor is non-transferable without the Client's prior consent.

**Retirement Plan Advisory Services**

For Retirement Plan Consulting services the fee may be based on a percentage of the assets held in the Plan (fixed rate or tiered schedule up to 1.25% annually), on an hourly basis (up to \$400 per hour), or on a flat rate basis, as negotiated between the Plan and the Advisory Persons. The fee will be payable in advance or in arrears on the frequency (e.g., quarterly, monthly, etc.). Fees may be directly invoiced to the Plan Sponsor or deducted from the account of each Plan Participant depending on the terms of the retirement plan advisory agreement. If asset based fees are negotiated, the fee payment generally will be based on the value of the Plan assets as of the close of business on the last business day of the period as valued by the custodian of the assets. However, if the fee is paid by the Plan or the Client through a third-party service provider, such fee will be calculated as determined by the provider. If the fee is paid prior to the services being provided, the Plan will be entitled to a prorated refund of any prepaid fees for services not received upon termination of the Client agreement.

**Other Fees and Compensation**

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s]. The Patriot Financial Group may include securities transactions costs as part of its overall investment advisory fee through The Patriot Financial Group Wrap Fee Program. Securities transaction fees for Client-directed trades may be charged back to the Client. Please see Item 4.D. above as well as Appendix 1 – Wrap Fee Program Brochure.

In addition, all fees paid to The Patriot Financial Group for investment advisory services or part of The Patriot Financial Group Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of The Patriot Financial Group, but would not receive the services provided by The Patriot Financial Group which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by The Patriot Financial Group to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

**Broker-Dealer Affiliation**

Advisory Persons are also registered representatives of Securities America, Inc. ("SAI") of La Vista, NE. SAI is a registered broker-dealer (CRD# 10205). In one's separate capacity as a registered representative of SAI, an Advisory Person may implement securities transactions under SAI and not through The Patriot Financial Group. In such instances, an Advisory Person will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by an Advisory Person in one's capacity as a registered representative is separate and in addition to The Patriot Financial Group's advisory fees. This practice presents a conflict of interest because Advisory Persons who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by Advisory Persons. Neither the Advisor nor Advisory Persons will earn ongoing investment advisory fees in connection with any products or services implemented in the Advisory Person's separate capacity as a registered representative Please see Item 10.

**Insurance Agency Affiliation**

Advisory Persons are also licensed as independent insurance professionals. These persons will earn commission-based

compensation for selling insurance products, including insurance products they sell to Clients. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because Advisory Persons who are also insurance agents may have an incentive to recommend insurance products to Clients for the purpose of generating commissions rather than solely based on a Client's needs. However, to mitigate this conflict, Clients always have the right to choose whether or not to purchase insurance products through any person affiliated with our The Patriot Financial Group.

## **Item 6 – Performance-Based Fees and Side-by-side Management**

Neither the firm nor its Advisory Persons accepts performance-based fees, fees based on a share of capital gains on or capital appreciation of the assets of a Client such as a hedge fund or other pooled investment vehicle.

## **Item 7 – Types of Clients**

The firm generally provides investment advice to individuals, small businesses and high net worth individuals as well as pension and profit sharing plans. The amount of each type of Client is available on the Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. The Patriot Financial Group does not require a minimum asset amount for financial planning, hourly consulting, participant consulting or research services. For customized advisory services, any required minimum account value will be set out in the Client agreement. Certain investments, strategies or programs may require a minimum account size.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments.

The Client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the Client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the Client's individual needs, stated goals and objectives. Each Client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The firm uses a combination of charting, fundamental and technical analysis in order to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long or short term trading strategy based on the particular objectives and risk tolerance of a particular Client.

Charting analysis utilizes various market indicators as investment selection criteria. These criteria are generally pricing trends that may indicate movement in the markets. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the technical and charting analysis may lose value and may have negative investment performance. The Advisor monitors these market indicators to determine if adjustments to strategic allocations are appropriate.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Technical analysis involves the analysis 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 The Patriot Financial Group will be able to accurately predict

such a reoccurrence.

Please note, investing in securities involves risk of loss that Clients should be prepared to bear. There are different types of investments that involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s). The firms' methods of analysis and investment strategies do not represent any significant or unusual risks however all strategies have inherent risks and performance limitations such as:

- *Market Risk* - the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- *Interest Rate Risk* - the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- *Credit Risk* - the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- *ETF Risks* - The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.
- *Mutual Fund Risks* - The performance of a mutual fund is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

## **Item 9 – Disciplinary Information**

There are no legal, regulatory or disciplinary events involving The Patriot Group Insurance Agency, LLC or any of its management persons. We value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching by our firm name or our CRD# 172470.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Registered Representative**

As noted in Item 5, Advisory Persons are also registered representatives of SAI. In one's separate capacity as a registered representative of SAI, an Advisory Person will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by an Advisory Person. Neither the Advisor nor an Advisory Person will earn ongoing investment advisory fees in connection with any services implemented in an Advisory Person's separate capacity as a registered representative of SAI.

### **Insurance Agency Affiliations**

As noted in Item 5, Advisory Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from one's role with The Patriot Financial Group. As an insurance professional, the Advisory Persons may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Advisory Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Advisory Persons or the Advisor.

### **Use of Independent Managers**

As noted in Item 5 above, certain Client accounts may be allocated to Independent Managers. In such instances, the Advisor is only compensated with the advisory fees noted in Item 5. Fees may be calculated and deducted by an Independent Manager on behalf of the Advisor Please see Item 5.

## **Item 11 – Code of Ethics, Participation of Interest in Client Transactions and Personal Trading**

The Patriot Financial Group has implemented a Code of Ethics (the “Code”) that defines our fiduciary commitment to each Client. This Code applies to all persons associated with The Patriot Financial Group (our “Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. The Patriot Financial Group and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of The Patriot Financial Group’s Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest.

The Code includes guidelines regarding personal securities transactions of its Supervised Persons. The Code permits Supervised Persons to invest for their own personal accounts in the same securities that an Advisory Person may purchase for Clients in program accounts. This presents a conflict of interest because trading by Supervised Person in a personal securities account in the same security on or about the same time as trading by a Client can disadvantage the Client. The Patriot Financial Group addresses this conflict of interest by requiring in its Code that Supervised Persons report certain personal securities transactions and holdings to the Chief Compliance Officer for review.

The Advisor is considered a fiduciary. As a fiduciary, it is the Advisor’s responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our Clients at all times. We have a fiduciary duty to all Clients. Our fiduciary duty is considered the core underlying principle for our Code which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all Clients. This disclosure is provided to give all Clients a summary of our Code. However, if a Client or a potential Client wishes to review our Code in its entirety, a copy will be provided promptly upon request.

The Advisor and its Supervised Persons may buy or sell for their personal accounts securities identical to or different from those recommended to our Clients. In addition, any related persons may have an interest or position in a certain security which may also be recommended to a Client.

It is the expressed policy of our firm that no affiliated person may purchase or sell any security prior to or after a Client transaction for personal gain.

A copy of the Code is available upon request.

## **Item 12 – Brokerage Practices**

### **Recommendation of Custodian[s]**

The Patriot Financial Group does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the “Custodian”) to safeguard Client assets and authorize The Patriot Financial Group to direct trades to the Custodian as agreed in the investment advisory agreement. Further, The Patriot Financial Group does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where the Patriot Financial Group does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using the Custodian not recommended by The Patriot Financial Group. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. As its Advisory Persons are also registered representatives of SAI, The Patriot Financial Group may only recommend a Custodian that is approved by SAI. The Patriot Financial Group may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation and/or the location of the Custodian’s offices.



The Patriot Financial Group will generally recommend that Clients establish their account[s] at either SAI, TD Ameritrade Institutional, a division of TD Ameritrade, Inc. (“TD Ameritrade”) or Charles Schwab & Co., Inc. (“Schwab”) (collectively the “Custodians”). For managed accounts programs through SAA, SAI is the designated Custodian. The Custodians are all independent and unaffiliated SEC broker-dealers and members of FINRA/SIPC. The Patriot Financial Group maintains institutional relationships with the Custodians, whereby the Advisor receives economic benefits from these institutional platforms. Please see Item 14 below.

*1. Soft Dollars* - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. The Patriot Financial Group does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor does receive certain economic benefits and transition assistance the Custodians. The Custodians offer independent investment advisors non-soft dollar services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some non-soft dollar benefits from the Custodians through our participation in their respective programs.

*2. Brokerage Referrals* - The Patriot Financial Group does not receive any compensation from any third party in connection with the recommendation for establishing an account.

*3. Directed Brokerage* - All Clients are serviced on a “directed brokerage basis”, where The Patriot Financial Group will place trades within the established account[s] at the Custodian designated by the Client, unless otherwise instructed. Further, all Client accounts are traded within their respective account[s] at the Custodian. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). The Patriot Financial Group will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

#### Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. The Patriot Financial Group will execute its transactions through a Custodian selected by the Client. The Patriot Financial Group may aggregate orders in a block trade or trades when securities are purchased or sold through the same Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

### **Item 13 – Review of Accounts**

For those Clients to whom The Patriot Financial Group provides investment supervisory services, account reviews are conducted on an ongoing basis by The Patriot Financial Group Principals and/or Advisory Persons. All Clients are advised that it remains their responsibility to advise The Patriot Financial Group of any changes in their investment objectives and/or financial situation. All Clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with their Advisory Person on an annual basis. The Patriot Financial Group may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in Client investment objectives and/or financial situation, market corrections and Client request. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the Client accounts. The Patriot Financial Group may also provide a written periodic report summarizing account activity and performance.

### **Item 14 – Client Referrals and Other Compensation**

#### Participation in Institutional Advisor Platform - SAI

The Patriot Financial Group has established an institutional relationship with SAI to assist the Advisor in managing Client account[s]. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at these institutional platforms. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients,

the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of the Custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from SAI: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; 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.

In connection with The Patriot Financial Group engaging the services of SAI as its recommended Custodian and the affiliation of its Supervised Persons as registered representatives of SAI, SAI and its affiliated entities (collectively Securities America") have provided a loan to The Patriot Financial Group, which was forgivable over 7 years so long as The Patriot Financial Group's relationship with Securities America continue, and based on the achievement of certain levels of production (the "Note").

In addition to the Note, certain Advisory Persons of The Patriot Financial Group may receive payments from Securities America in connection with the transition from another broker dealer or investment advisor to their present relationship with The Patriot Financial Group and Securities America. These payments are intended to assist the individual with costs associated with the transition mentioned above. Similar to the Note, these payments may take the form of loans to the individual, and are repayable to Securities America or are forgiven by Securities America based on years of service or the extent of their production with Securities America.

The Note and any additional payments to new or existing Advisory Persons may present a conflict of interest in that the individual may have a financial incentive to maintain a relationship with Securities America including making a recommendation to Securities America for brokerage transactions and other services. Clients of The Patriot Financial Group are under no obligation to implement any recommendations of the Advisory Person.

#### Participation in Institutional Advisor Platform - TD Ameritrade

As disclosed under Item 12, above, the Advisor participates in TD Ameritrade's institutional customer program and the Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its Clients, although the Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit the Advisor but may not benefit its Client accounts. These products or services may assist the Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

#### Participation in Institutional Advisor Platform - Schwab

The Advisor has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like the Advisor. As a registered investment advisor participating on the Schwab Advisor Services platform, the Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian



creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

*Services that Benefit the Client* – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

*Services that May Indirectly Benefit the Client* – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients.

*Services that May Only Benefit the Advisor* – Schwab also offers other services and financial support to the Advisor that may not benefit the Client, including: educational conferences and events, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a potential conflict of interest. The Advisor believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

#### Marketing Support

The Patriot Financial Group receives an economic benefit from SAI in reimbursement for marketing related expenses. Please see detailed discussion of the categories of marketing related expenses and potential conflicts of interest in Item 12 above.

The Patriot Financial Group and its Advisory Persons may also receive additional compensation from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, Client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors may also pay for, or reimburse The Patriot Financial Group for the costs associated with education or training events that may be attended by the Advisor's Supervised Persons for sponsored conferences and events.

#### Securities America Platform

Clients should be aware that the Advisor is paid solicitor/referral fees by SAA for recommending mutual fund portfolios, separate account portfolios and unified managed account portfolios. SAA also shares fees with the sub-advisors. The amount of compensation The Patriot Financial Group receives for recommending one Managed Opportunities portfolio over another portfolio may vary. Therefore, a potential conflict of interest may exist because these circumstances may result in the Advisor having a financial incentive to recommend one portfolio over another. However, portfolios are selected and recommended based on each individual Client's needs, goals and objectives.

#### Client Referrals from Solicitors

The Patriot Financial Group may engage and compensate unaffiliated third-party referral sources (a "Solicitor") for Client referrals. Clients will not pay a higher fee to The Patriot Financial Group as a result of such payments to a Solicitor. The Advisor shall enter into an agreement with the Solicitor, which requires that full disclosure of the compensation and other conflicts is provided to the prospective client prior to or at the time of entering into an advisory agreement.

### **Item 15 – Custody**

The Patriot Financial Group does not accept or maintain custody of any Client accounts, except in certain circumstances where the Advisor is authorized to deduct its Advisory fees from Client accounts. All Clients must place their assets with a "qualified custodian" as described in Item 12 above. Clients are required to engage the Custodian to retain their funds and securities and direct The Patriot Financial Group to utilize the Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by The Patriot Financial Group to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

### **Item 16 - Investment Discretion**

The Advisor generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by The Patriot Financial Group. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by The Patriot Financial Group will be in accordance with each Client's investment objectives and goals.

Clients who engage The Patriot Financial Group on a discretionary basis may, at any time, impose restrictions, in writing, on The Patriot Financial Group discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the use of margin, etc.).

### **Item 17 – Voting Client Securities**

The Advisor does not vote Client proxies but third party money managers selected or recommended by the Advisor may vote proxies for Clients. Clients will otherwise receive their proxies or other solicitations directly from their Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting. Clients may contact the Advisor or its Advisory Persons at (508) 251-6100 to discuss any questions they may have with a particular solicitation.

### **Item 18 – Financial Information**

The Advisor does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance. There are no financial conditions that are reasonably likely to impair the firm's ability to meet contractual commitments to Clients. At no time has The Patriot Financial Group been the subject of a bankruptcy petition.



## **The Patriot Financial Group Insurance Agency, LLC**

This Form ADV 2A – Appendix 1 (“Wrap Fee Brochure”) provides information about the qualifications and business practices of The Patriot Financial Group Insurance Agency, LLC d/b/a The Patriot Financial Group and/or the d/b/a names listed below:

The Patriot Financial Group | Corner Office Advisory Group | New England Retirement Solutions, LLC® | Provo Wealth Management Group | Joffrey Smith Financial Group | Riverside Wealth Management | Legacy Wealth Management | Comprehensive Wealth Planners at Dean Bank | Summit Star Advisory | Rollover Advisory Services | McLaughlin Financial Consulting | BG Financial Services Group | Black Diamond Advisory Services, LLC | Peterkin Advisory Services

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**July 27, 2018**

### **NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY**

This Wrap Fee Brochure shall always be accompanied by The Patriot Financial Group Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete The Patriot Financial Group Disclosure Brochure or you have any questions about the contents of this Wrap Fee Brochure or The Patriot Financial Group Disclosure Brochure, please contact us at (508) 251-6100. The Patriot Financial Group is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Wrap Fee Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Brochure provides information about The Patriot Financial Group to assist you in determining whether to retain the Advisor. Additional information about The Patriot Financial Group and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 172470.

## **Item 2 – Material Changes**

Form ADV 2 - Appendix 1 provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. In particular, this Wrap Fee Brochure discusses wrap fee programs offering by the Advisor.

### **Material Changes**

There have been no material changes to this Wrap Fee Brochure since the last filing and distribution to Clients.

### **Future Changes**

From time to time, we may amend this Wrap Fee Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Wrap Fee Brochure (along with the complete The Patriot Financial Group Disclosure Brochure) or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of The Patriot Financial Group.

At any time, you may view this Wrap Fee Brochure and the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 172470. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (508) 251-6100.

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## **Item 4 – Services Fees and Compensation**

### **A. Services**

The Patriot Financial Group provides customized investment advisory services for its Clients. This Wrap Fee Program Brochure is provided as a supplement to The Patriot Financial Group Disclosure Brochure (Form ADV 2A). This Wrap Fee Program Brochure is provided along with the complete Disclosure Brochure to provide full details of the business practices and fees when selecting The Patriot Financial Group as your investment advisor.

As part of the investment advisory fees noted in Item 5 of the Disclosure Brochure, The Patriot Financial Group includes normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a “Wrap Fee Program”. The Advisor sponsors The Patriot Financial Group Wrap Fee Program.

The sole purpose of this Wrap Fee Program Brochure is to provide additional disclosure relating the combination of securities transaction fees into the single “bundled” investment advisory fee. This Wrap Fee Program Brochure references back to The Patriot Financial Group Disclosure Brochure in which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on The Patriot Financial Group’s investment philosophy and related services.**

### **B. Program Costs**

Advisory services provided by The Patriot Financial Group are offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to The Patriot Financial Group. As the level of trading in a Client’s account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transactions costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on services to be provided to each Client, however, the Client is not charged more if there is higher trading activity in the Client’s account[s]. A Wrap Fee structure has a potential conflict of interest as the Advisor may have an incentive to limit the number of trades placed in the Client’s account[s]. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

### **C. Fees**

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees range up to 2.50% annually based on several factors, including: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee. The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client’s fee will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by The Patriot Financial Group will be independently valued by the Custodian. The Patriot Financial Group will not have the authority or responsibility to value portfolio securities.

As noted above, the Wrap Fee Program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by The Patriot Financial Group. Securities transaction fees for Client-directed trades may be charged back to the Client.

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client’s account[s]. Under this Wrap Fee Program, The Patriot Financial Group includes securities transactions costs as part of its overall investment advisory fee.

In addition, all fees paid to The Patriot Financial Group for investment advisory services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund’s prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. The Client may also incur other costs assessed by the Custodian or other parties for account related activity fees, such as wire transfer fees, fees for trades executed away from the Custodian and other fees. The Advisor does not control nor share in these fees. The Client should review both the fees charged by the fund[s] and the fees charged by The Patriot Financial Group to fully understand the total fees to be paid. Please see Item 5.C. – Other Fees and Expenses in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

#### **D. Compensation**

The Patriot Financial Group is the sponsor and portfolio manager of this Wrap Fee Program. The Patriot Financial Group receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the costs associated with the normal trading activity in the Client's account[s].

### **Item 5 – Account Requirements and Types of Clients**

The Patriot Financial Group offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses and retirement plans. The Patriot Financial Group generally does not impose a minimum size for establishing a relationship. Please see Item 7 – Types of Clients in the Disclosure Brochure for additional information.

### **Item 6 – Portfolio Manager Selection and Evaluation**

#### **Portfolio Manager Selection**

The Patriot Financial Group serves as sponsor and as portfolio manager for the services under this Wrap Fee Program. Additionally, The Patriot Financial Group may place Client assets in the Managed Opportunities Program ("Managed Opportunities"), a wrap fee program sponsored by Securities America Advisors, Inc. (SAA), where SAA serves as the Sponsor and portfolio manager of the program.

#### **Related Persons**

The Patriot Financial Group personnel serve as portfolio managers for this Wrap Fee Program. The Patriot Financial Group does not serve as a portfolio manager for any third-party wrap fee programs.

#### **Performance-Based Fees**

The Patriot Financial Group does not charge performance-based fees.

#### **Supervised Persons**

The Patriot Financial Group Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Brochure. Details of the advisory services provided are included in Item 4.A. of the Disclosure Brochure.

#### **Methods of Analysis**

Please see Item 8 of the Disclosure Brochure (included with this Wrap Fee Brochure) for details on the research and analysis methods employed by the Advisor.

#### **Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. The Patriot Financial Group will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. Please see Item 8.B. – Risk of Loss in the Disclosure Brochure for details on investment risks.**

#### **Proxy Voting**

The Patriot Financial Group does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

### **Item 7 – Client Information Provided to Portfolio Managers**

The Patriot Financial Group is the sponsor and sole portfolio manager for the Program. The Advisor does not share Client information with other portfolio managers because it is the sole portfolio manager for this Wrap Fee Program. Please also see The Patriot Financial Group Privacy Policy (included after this Wrap Fee Program Brochure).

### **Item 8 – Client Contact with Portfolio Managers**

The Patriot Financial Group is a full-service investment management advisory firm. Clients always have direct access to the Portfolio Managers at The Patriot Financial Group.

## **Item 9 – Additional Information**

### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

The Patriot Financial Group values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 172470. Please see Item 9 of The Patriot Financial Group Disclosure Brochure as well as Item 3 of each Advisory Person's Brochure Supplement for additional information on how to research the background of the Advisor and its Advisory Persons.

#### Other Financial Activities and Affiliations

Please see Items 10 and 14 of the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Brochure).

### **B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information**

The Patriot Financial Group has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons subject to The Patriot Financial Group's compliance program (our "Supervised Persons"). Complete details on The Patriot Financial Group Code can be found under Item 11 – Code, Participation in Client Transactions and Personal Trading in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

#### Review of Accounts

Investments in Client accounts are monitored on a regular and continuous basis by Advisory Persons of the Advisor under the supervision of the Chief Compliance Officer ("CCO"). Details of the review policies and practices are provided in Item 13 of the Form ADV Part 2A – Disclosure Brochure.

#### Other Compensation

*Selection of Other Advisors* – The Advisor may refer Clients to unaffiliated money managers, as described in Item 4 of the Form ADV Part 2A. In such arrangements, the Advisor has a potential conflict of interest in that the Advisor will receive a portion of the unaffiliated money manager's fee collected from the Client for the referral of the Client and the ongoing relationship management support provided by the Advisor. To mitigate this conflict of interest, The Patriot Financial Group will not charge investment advisory fees on assets referred to an unaffiliated manager under such arrangements.

*Use of Independent Managers* - The Advisor may be indirectly compensated by an Independent Manager as described in Item 5 of the Form ADV Part 2A – Disclosure Brochure and does not receive any other forms of compensation with such arrangements.

*Participation in Institutional Advisor Platform (SAI)* – The Patriot Financial Group has established an institutional relationship with SAI to assist the Advisor in managing Client account[s]. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at these institutional platforms. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of the Custodian over one that does not furnish similar software, systems support, or services.

In connection with The Patriot Financial Group engaging the services of SAI as its recommended Custodian and the affiliation of its Supervised Persons as registered representatives of SAI, SAI and its affiliated entities (collectively Securities America") have provided a loan to The Patriot Financial Group, which was forgivable over 7 years so long as The Patriot Financial Group's relationship with Securities America continue, and based on the achievement of certain levels of production (the "Note").

*Participation in Institutional Advisor Platform (TD Ameritrade)* - The Advisor participates in TD Ameritrade's institutional customer program and the Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its Clients, although the Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services



(provided without cost or at a discount); receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors.

*Participation in Institutional Advisor Platform (Schwab)* - The Advisor has established an institutional relationship with Schwab through its “Schwab Advisor Services” unit, a division of Schwab dedicated to serving independent advisory firms like the Advisor. As a registered investment advisor participating on the Schwab Advisor Services platform, the Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Please see Item 14 – Other Compensation in the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Brochure) for details on additional compensation that may be received by The Patriot Financial Group or its Advisory Persons. Each Advisory Person’s Brochure Supplement (also included with this Wrap Fee Brochure) provides details on any outside business activities and the associated compensation.

#### Client Referrals from Solicitors

The Patriot Financial Group may engage and compensate unaffiliated third party referral sources (a “solicitor”) for Client referrals. Clients will not pay a higher fee to The Patriot Financial Group as a result of such payments to a solicitor. The Advisor shall enter into an agreement with the solicitor, which requires that full disclosure of the compensation and other conflicts is provided to the prospective client prior to or at the time of entering into the advisory agreement.

#### Financial Information

Neither The Patriot Financial Group, nor its management has any adverse financial situations that would reasonably impair the ability of The Patriot Financial Group to meet all obligations to its Clients. Neither The Patriot Financial Group, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. The Patriot Financial Group is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance. Please see Item 18 of the Form ADV Part 2A – Disclosure Brochure.