

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

Patrick Financial Group, L.L.C.

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This brochure provides information about the qualifications and business practices of Patrick Financial Group, L.L.C. If you have any questions about the contents of this brochure, please contact us at 1-810-225-9876 / [patrickfinancial@comcast.net](mailto:patrickfinancial@comcast.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state security authority.

Additional information about Patrick Financial Group, L.L.C. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Although Patrick Financial Group, L.L.C. is a Registered Investment Advisory Firm, please be advised the term "Registered" does not imply a certain level of skills or training.

## Item 2 Material Changes

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As of the date of this filing, Patrick Financial Group, L.L.C. has reached assets under management (AUM) of approximately 127 Million. This necessitated a change of registration from State to Federal through the Securities and Exchange Commission (SEC).

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#### Item 4 Advisory Business

##### Item 4 Advisory Business

A: Patrick Financial Group, L.L.C. (“PFG”) is a Registered Investment Advisory Firm which has been in business for 13 years. The principal owner is Jobie A. Patrick.

B: PFG is a portfolio management, advisory and financial services firm founded in 2002. PFG primarily utilizes no-load mutual funds within its investment strategies, for clients. These Mutual Funds form the basis of model portfolios designed by PFG specifically for the investment strategies and risk tolerances of a particular client. The model portfolios run the gamut from conservative to aggressive and include a mix of cash, bond and stock investments to serve a spectrum of clientele and their investment needs and goals. By way of example, the Capitol Preservation model portfolio traditionally holds approximately 95% of its position in bonds, and 5% in stocks. Such a portfolio might be proper for a conservative client who is concerned about preservation of their principal, or earning the interest income that a bond position traditionally affords. At the other end of the investment spectrum the growth model portfolio is the most aggressive model, with a position traditionally holding 98% equities and as little as 2% in bonds, depending on market conditions. Such a portfolio might be appropriate for an investor who is not adverse to risk, and who might seek a greater return on investment over a period of time. Note: Proper allocation and diversification do not guarantee a profit, but aid in managing risk for the client. PFG concentrates its practice in preservation of principal for its clients, in that a large degree of PFG clients are retirees or pre-retirees. The model portfolios and their respective positions and makeup are derived from comprehensive market research, from sources such as Morningstar, Litman Gregory Asset Management and others as well as PFG’s own proprietary research.

PFG does have a handful of clients who owned REITS prior to PFG acting as their Investment Advisor. PFG did not market these REITS, nor does PFG act as Custodian for these REITS, they are housed at TD Ameritrade under PFG business.

FTJ FundChoice (“FTJ”) of Hebron, Kentucky, is a third-party administrator utilized by PFG, for PFG clients and the servicing of client accounts. Fees charged to PFG clients by FTJ are discussed in Item #5 of this ADV Part 2 brochure, and are calculated on a “breakpoint” basis. FTJ offers to PFG client’s services that include, but are not limited to, quarterly reporting, tax information, performance reporting, website access and transaction facilitation. T. D. Ameritrade acts as custodian for client’s funds.

PFG also offers insurance-based product services including annuities, life insurance and long term care insurance.

PFG offers to clients a comprehensive fact-finding process, which normally results in recommendations on investment strategies, consistent with a client’s investment objectives and risk tolerances. Additionally, PFG works with clients to ensure that their portfolio is properly allocated and diversified, and re-balanced when necessary and appropriate, to keep within the stated objectives and tolerances of the client.

C: The client will meet with PFG for the initial meeting to determine the client’s priorities and preferences. This is done through comprehensive fact-finding. If it is determined that PFG’s services and the client’s priorities and preferences align, then additional meetings are scheduled. It is PFG’s policy to meet with the potential clients for a least two meetings. During these series of meetings, investment objectives and risk tolerance are determined and clients can express their need for restrictions on a case-by-case basis.

D: PFG does not charge a wrap fee.

E: As of 1/23/2015, PFG manages approximately \$112 million of client assets utilizing no-load mutual funds. Due to the nature of the practice, most clients choose discretionary accounts. Should the client desire, however, client’s account can be maintained on a non-discretionary basis.

## Item 5 Fees and Compensation

### Item 5 Fees and Compensation

A: Client(s) agree that PFG shall be compensated for its services as stated in the PFG Investment Advisory Agreement. As of January 2013, new client(s) investor advisory fees are 1.40% a year of net assets under management computed monthly and paid in arrears through a brokerage firm or trust company selected by PFG. The calculation utilized to determine fees is the average daily balance for the client account for the month, times the fee rate, times the amount of days in the month, divided by the amount of days in the year. Additional fees are paid to FTJ FundChoice per the PFG Investment Advisory Agreement using the FTJ FundChoice published schedule below in sub-part 5(C).

In one case at the request of the client, fees are calculated on a monthly basis and billed in arrears directly to the client on a quarterly basis, made payable directly to PFG.

B: The client's FTJ FundChoice asset based monthly fees are calculated by FTJ Fundchoice and deducted from assets in arrears at the beginning of the following month. The calculation is as follows: The average daily balance of the client account for the month, times the fee rate, times the amount of days in the month, divided by the amount of days in the year.

Example:  $\$236,219.44 \times .014 \times .08219178 (30/365) = \$271.81$  fee for the month.

C: Additional fees clients will incur include the following:

- Short term redemption fees may apply.
- Even though PFG normally chooses no-load mutual funds, some mutual funds do include "redemption fees", "market timing fees", or a "short-term trading fee" for trades performed within a short period of time. Such funds may be utilized when appropriate in meeting a client's investment objective(s).
- FTJ FundChoice asset-based fee schedule as follows:

<u>From</u>	<u>To</u>	<u>Fee Schedule</u>
\$0.00	\$50,000.00	0.45%
\$50,000.01	\$100,000.00	0.35%
\$100,000.01	\$250,000.00	0.20%
\$250,000.01	\$500,000.00	0.175%
Over	\$500,000.01	0.15%

- Please note that FTJ FundChoice fees may be shared with PFG.

D: No fees are prepaid. PFG does not require a retainer.

E: PFG does not receive compensation for the sale of securities or other investment products.

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

Item 6 Performance-based Fees and Side-By-Side Management

PFG does not charge performance based fees.

Item 7      Types of *Clients*

Item 7 Types of Clients

PFG's clients consist mainly of individual investors of which this includes a number of high net worth individuals. Additional clients can include limited liability companies and trusts; although, this type of clientele is limited in number and scope. PFG reserves the right to take on additional clientele on a case-by-case basis.

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

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

A: The methods used to analyze investment strategies include but are not limited to comprehensive research provided by mainly Morningstar and other market research investment publications. Additionally, information provided by individual clients including risk tolerance and investment strategies factor into the decision making process. Investing in securities through PFG involves risk of loss that clients should be prepared to bear.

B: Although there are risks associated with investing, PFG endeavors to reduce volatility. Therefore PFG categorizes various levels of risk tolerance identified in the portfolios listed below:

Money Market: Used for the staging of funds and in the event of an emergency exit strategy.

PFG Capitol Preservation: Low risk. Investor wishes to reduce investment volatility in favor of security of their principal. Investor understands that the trade-off that they make is their returns will be related to that of preservation of principal. Investor also understands that while preservation of principal remains a priority, Investor's rate of return can vary.

PFG Balanced Income: Conservative. Investor is willing to accept a measured amount of volatility in expectation of slightly higher long-term results. Investor's goal is to ensure their investment at least keeps pace with the rate of inflation.

PFG Balanced: Moderate. Investor is more comfortable with market volatility and is willing to accept the possibility of loss over a medium time frame. Over the long-term, investor expects assets allocated for purposes of growth will provide sufficient returns so that Investor's total return exceeds inflation. Real growth of the portfolio will occur over the long term.

PFG Balanced Growth: Moderate to high. Investor is willing to accept a higher level of volatility, while seeking higher returns. Investor holds a modest defensive position as protection against market down-turns.

PFG Growth: Speculation/Aggressive Growth. Investor is experienced in investing and markets and is willing to assume a high level of risk, when seeking long-term returns. Investor is allocated fully in growth-based assets.

C: It is not the policy of PFG to recommend any particular securities. It is however, the policy of PFG to recommend strategies consistent with the investment objective and risk tolerance of individual clients obtained in the fact-finding process.



Item 9      Disciplinary Information

Item 9 Disciplinary Information

A: There has been no criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which PFG has been involved.

B: There has been no administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign regulatory authority in which PFG has been involved.

C: PFG has not been involved in any self regulatory organization proceeding.

Jobie Patrick continues to make timely payments through an amicably resolved installment agreement with the IRS.

Item 10 Other Financial Industry Activities and Affiliations

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A: PFG is not registered with, nor does it have an application pending to register as a broker dealer, nor a representative of a broker dealer.

B: PFG does not have any persons registered, or have an application to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of these entities.

C: FTJ FundChoice has been selected by PFG to act as an investment advisor and third-party administrator which provide statements for clients in a record-keeping fashion. TD Ameritrade acts as the custodian for mutual funds purchased by clients. TD Ameritrade does effect mutual fund trades on behalf of clients, and per the advisory contract. Jobie A. Patrick maintains a relationship with multiple insurance companies, including: Midland National, Allianz, Genworth, West Coast, American Equity, Banner Life, Equitrust, ING and Pruco. Jobie A. Patrick can receive a commission for insurance products purchased by clients, recommended by Jobie A. Patrick, which may create a conflict of interest. However, Jobie A. Patrick and PFG work with clients on an individual and case-by-case basis. Insurance of varying kinds is discussed as part of the comprehensive fact-finding process and Jobie A. Patrick and PFG understands and believes that insurance is also necessary with respect to wealth preservation and good planning. PFG and its employees utilize its code of ethics to ensure that any recommendation of insurance for a client is both appropriate to the client's overall objectives and is necessary for the protection of the client and their family. Disclosure: Although Jobie A. Patrick, as part of the fact-finding process may make recommendations for clients to obtain insurance products to enhance their financial plan, clients are advised that same or similar products might be available through other companies and at lesser cost. Ultimately the client can reserve the right to purchase insurance or insurance products from the entity or individual of their choosing.

D: PFG does not recommend or select other investments advisors for clients, nor does PFG receive a fee or compensation for recommendations.

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

A: PFG takes the issue of state and federal regulatory compliance very seriously. PFG's historical commitment and dedication to compliance with governing securities industry laws, rules and regulations is unwavering. Additionally, PFG holds a position of public trust, as a result of its role as a registered investment advisor. Our goal is to maintain that trust, to provide quality investment counsel, offer exemplary service and advice that is suitable for the individual client. As a registered investment advisor, PFG is a fiduciary to each of its clients. As a result, PFG owes a specific duty to each of its clients. Among these are the following:

- to provide advice that is suitable;
- to act solely in the best interests of the client;
- to demonstrate loyalty and good faith to the client;
- to utilize reasonable care;
- to never mislead a client;
- to provide full disclosure of material facts and disclose and avoid potential conflicts of interest so that the client can make an informed decision about the services of the particular adviser.

It is the policy of PFG to protect the interests of our clients and place their interests first. As such, we pledge the following to our clients and utilize policies and procedures that display and reinforce our role as fiduciaries:

- PFG will only make investment decisions or recommendations to a client based on a reasonable ground and a reasonable belief that the decisions or recommendations are suitable for the individual client, based on information provided by the client, and through a thorough fact-finding process;
- PFG will not make a recommendation that a client purchase a security that is not properly registered or licensed;
- PFG will not borrow money from clients;
- PFG will not commingle client funds;
- PFG will not induce trading in a client's account at an excessive rate, based on the client's resources or the nature of the account or client's investment objectives;
- PFG will not recommend that a client effect a trade with a broker-dealership, or engage a broker-dealership that is not properly registered or licensed;
- PFG will not take custody or control of a client's securities;
- PFG will only offer investment advice in which it is competent.

PFG will provide a copy of the code of ethics to any client or prospective client upon request.

B: PFG does not currently invest in the same securities that are recommended to clients, therefore there is no conflict of interest. However, PFG and its employees may in the future invest in portfolios available to clients. This does not create a conflict of interest due to the fact that they are open ended mutual funds. Refer to the Code of Ethics for further information.

C: The advisor does maintain a personal account within its business, trading the same large mutual fund securities as is recommended to clients. This small account is used as a tracking tool to document historical information, and as such, does not create a conflict of interest.

Item 12 Brokerage Practices

Item 12 Brokerage Practices

A: As stated in the PFG client contract, PFG utilizes FTJ FundChoice as a third-party record-keeper for PFG clients. FTJ FundChoice and TD Ameritrade have partnered together and TD Ameritrade acts as a broker-dealer and custodian of client funds. Note: not all advisers require their clients to direct brokerage through a particular broker-dealer. While PFG has determined that FTJ FundChoice and TD Ameritrade bring appropriate value to the clients PFG services, clients should be aware they may be able to obtain more economical brokerage services elsewhere. However, any desire by a client to utilize brokerage services by a broker-dealer unrelated to PFG or TD Ameritrade must first be approved by PFG.

Item 13      Review of Accounts

Item 13 Review of Accounts

A: Client reviews are conducted at least on an annual basis. These reviews are performed by Jobie A. Patrick the principal and owner of PFG.

B: On occasion, a client may want a more frequent review and those are scheduled and provided to the client at the client's request. Market conditions might additionally demand a review of accounts.

C: Generally, the client is provided the opportunity to have a spreadsheet of all accounts managed by PFG. This spreadsheet contains beginning balances, additions, withdraws and current values. In addition to that, PFG provides Market Update Letters at least quarterly.

Item 14      Client Referrals and Other Compensation

Item 14 Client Referrals and Other Compensation

A: PFG does not receive compensation or economic benefit for referrals.

B: PFG does not compensate, or receive compensation, for referrals.

Item 15 Custody

Item 15 Custody

While PFG does not take direct custody of client funds, PFG does deduct monthly advisory fees from client accounts. This is discussed specifically in the advisor/client agreement and is agreed upon at the time an individual becomes a client of PFG. Additionally, clients with questions concerning the deduction of fees can check their monthly or on-line statements, and can contact PFG directly with any inquiries they may have.

Item 16 Investment Discretion

PFG does accept discretionary authority to manage accounts on behalf of the client. The PFG Investment Advisory Agreement allows for limited discretion of active mutual fund management services. Client(s) agree that PFG shall have a limited power of attorney and limited discretionary authority to place transactions in mutual funds selected by PFG; to move funds between mutual funds or mutual fund accounts that are administered or managed by any other advisor as set forth in a separate agreement.

Client(s), authorize PFG to invest and reinvest in mutual funds on a discretionary basis without contacting Client(s) for prior approval within the guidelines established in the completed Client(s) Investment Objective and Suitability Questionnaire.

Client(s) promise to fully, accurately and truthfully complete the provided Client(s) Investment Objective and Suitability Questionnaire that contains requests for both factual and personal financial information, and thoughtful selection of investment objectives and risk tolerances. Client(s) are made to understand that PFG will rely upon this information in its work for and on behalf of client(s).

Client(s) authorize PFG to take all necessary actions to open and/or maintain the Client(s) account(s) at a broker/dealer or other advisor from time to time, including closing those account(s) and moving to another mutual fund administrator and provider of record keeping services.

Client(s) agree that PFG has in its sole discretion, the right to terminate this entire agreement should Client(s) provide instructions to PFG it believes in its view are inappropriate for the Client(s). PFG will notify Client(s) that it believes the instructions to be inappropriate and unless modified to PFG's satisfaction then PFG shall terminate this agreement by written notice.

Client(s) authorize PFG to change account administrators if PFG, in its sole discretion deems it necessary and appropriate. Client(s) shall be provided written notice of the new Fund Administrator/Advisor.

PFG shall not have the power to remove funds from Client(s) accounts nor shall PFG take or maintain custody of any of Client(s) assets, investments or funds at any time. PFG shall not cause funds to be withdrawn from any client(s) account unless upon written Client(s) authority and only so long as the Client(s) do not cause said funds to be placed into PFG's care, custody and control.



Item 17      Voting Client Securities

Item 17 Voting Client Securities

A: PFG does not vote client securities.

B: Clients may receive proxies or other solicitations directly from the custodian or a transfer agent and clients may contact PFG directly with questions regarding a particular solicitation.

Item 18 Financial Information

A: PFG does not require or solicit prepayments for services.

B: PFG has discretionary authority over client funds and does not foresee any financial condition that will impair the ability to meet client needs.

C: PFG has never been the subject of a bankruptcy petition.

Item 19      Requirements for State-Registered Advisers

Item 19 Requirements for State-Registered Advisers

A: Although PFG is registered with the SEC, we will still provide the following information. Jobie A. Patrick is the principal executive officer of PFG. He has a high school diploma from Wayne Memorial High School along with courses taken at The American College in Pennsylvania. He can be reached at 810-225-9876.

B: In addition to advisory duties, the applicant also works as an independently licensed insurance agent. Thirty percent of the applicant's time is devoted to this endeavor.

C. PFG does not charge performance based fees.

D. Neither PFG nor any management person has been found liable or involved in a administrative proceeding involving any of the following:

- Investment or an investment-related business activity;
- Fraud, false statement(s), or omissions;
- Theft, embezzlement, or other wrongful taking of property;
- Bribery, forgery, counterfeiting, or extortion; or
- Dishonest, unfair, or unethical practices.

E. Mr. Patrick does not have any relationship or arrangement with any issuer of securities.

