

Item 1: Firm Brochure  
Part 2A

# Patriot Advisory Group, Patriot Advisory, Berube & Kane

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This brochure provides information about the qualifications and business practices of Patriot Advisory Group (PAG). If you have any questions about the contents of this brochure, please contact us at 603-319-1807 or email [mark@patriotadvisory.com](mailto:mark@patriotadvisory.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Patriot Advisory Group also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Patriot Advisory Group is a Registered Investment Advisor with the State of New Hampshire (registration does not imply a certain level of skill or training).

Item 2:

**Material Changes**

The material changes in this brochure from the last annual updating amendment of Patriot Advisory Group on January 29, 2016 are described below. This list summarizes changes to policies, practices or conflicts of interests only.

- Patriot Advisory Group has updated their contact information. (cover page)
- Patriot Advisory Group has updated Item 5 to disclose MA, clients will be provided a hard copy as well as notification from the Custodian (Fidelity) of the amount of fees, when they were withdrawn on their monthly/quarterly statements.
- Patriot Advisory Group has updated Item 14 to disclose that in the event client referrals are generated with compensation to a third party, registration of all parties will occur within the state of which business has been referred.

Item 3:

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#### Item 4: Advisory Business

Patriot Advisory Group (PAG) was established and registered as a Registered Investment Adviser in the State of New Hampshire in 2002. PAG is owned by its president, Mark A. Berube. In 2014, PAG added Investment Adviser Representative, Patrick J. Kane. Also in 2014, PAG added the business name "Patriot Advisory, Berube & Kane" (PABK). All references to PAG's business apply to PABK as well.

PAG's main business function is providing investment supervisory services to individuals through retirement and non-retirement brokerage account management. Fidelity Investments acts as custodian for client funds and securities. PAG has \$12 million discretionary AUM for 80 accounts & \$4 million non-discretionary AUM for 12 accounts as of February 2017.

PAG provides individualized investment supervisory services to clients regarding the allocation of money among various asset categories, (e.g. cash equivalents, exchanged traded equities, over the counter equities, certificates of deposit, equity options contracts, mutual funds, and fixed life/annuity products) as well as advice concerning the selection and retention of individual investment positions and professionally managed investment alternatives. The recommendations made with respect to such services will be consistent with the clients stated portfolio objective and risk tolerance. The client is free to place reasonable restrictions upon the adviser pursuant to the management of their account.

#### Other Services:

- Financial Planning: PAG Investment adviser representatives may provide financial planning services consistent with the client's financial and tax status, age, risk tolerance, and investment objectives. Investment advisor representatives of the PAG provide general non-securities advice on topics including tax planning, estate planning, business planning, retirement planning, education planning, budgeting and cash flow, and/or fringe benefit analysis.
- 401K CONTROL: Individuals may subscribe to the 401K CONTROL Alert Service annually. This service alerts subscribers to changes in the proprietary research model regarding favored asset classes, market caps and sectors. The 401K CONTROL Program is an independent publication of Patriot Advisory Group and is not associated with any retirement plan. Clients' retirement plans assume no responsibility for Patriot Advisory Group's service. Actual investment choices are the sole responsibility of the subscriber and it should be noted that the performance results contained herein may not equal future performance. Under no circumstances will Patriot Advisory Group be liable for any losses incurred as a result of a subscriber's allocation decisions.

The 401K CONTROL service is intended to comply with the requirements of the Interpretive Bulletin 96-1 issued by the Department of Labor with respect to the participant-directed plans subject to the Section 404(c) of ERISA. The program and materials constitute participant education and are not intended to (and are not) investment advice. Patriot Advisory Group and its partners and affiliates are not responsible for any action or failure to act of any individual accessing or using these materials or programs.

#### **Item 5: Fees & Compensation**

PAG charges an annual fee based upon the amount of assets managed through investment supervisory services as follows (House-holding is permitted and fees are negotiable-client signs an advisory agreement outlining fee agreed upon):

<u>Client Account Size</u>	<u>Advisory Fee</u>
\$50,000 - \$99,999	2.50%
\$100,000 - \$249,999	2.25%
\$250,000 - \$499,999	2.00%
\$500,000 - \$749,999	1.75%
\$750,000 - \$999,999	1.50%
\$1,000,000 +	1.25%

Fees are assessed quarterly in advance and are deducted directly from the client account by the custodian, Fidelity Investments. Clients are furnished immediately with a notification of the amount of the fees, how they were calculated and for what period of time. In the state of MA, clients will be provided a hard copy from the Advisor(s), as well as a notification from the Custodian (Fidelity) of the amount of fees, when they were withdrawn on their monthly/quarterly statements. New Investment Advisory clients are subject to an initial portfolio development fee of \$500.00 via invoice.

Ticket charges and other transaction costs may be assessed to the client account in association with the execution of securities trades. These charges are paid by the client and are separate and distinct from any advisory fee charged for asset management services. Investment advisor representatives of PAG may suggest that financial planning clients use Fidelity Investments for executing securities transactions. Clients are not obligated to use Fidelity Investments custodial and execution services and are free to use the broker dealer/custodian of their choice. However, if the financial planning client wishes to implement the plan through the associated persons of the PAG (thus becoming an investment advisory client) then Fidelity Investments must be utilized as the account custodian.

Financial planning fees are billed at a rate of \$250 per hour and are paid as services are rendered. Fees are negotiable. Pre-payment of fees will not exceed \$500 per client, 6 months in advance. The advisory agreement, unless otherwise stated, is for a period of one year. PAG or the client may terminate this agreement at any time with thirty (30) days prior notice. Notice shall be in writing and delivered to the appropriate party's last known address. Any unpaid fees that have been earned by PAG shall be paid within fifteen (15) days of the termination of this agreement. Unearned prepaid fees shall be refunded to

the client upon termination for any reason. There is no provision for refunds for work which has already been performed.

401K CONTROL annual subscription costs vary between \$250 and \$450 relative to the detail included in the subscription alerts.

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

*Not Applicable*

#### **Item 7: Types of Clients**

PAG provides services to individuals or individually owned trusts.

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

Investment decisions for investment advisory clients are made through various forms of third-party providers that include charting, fundamental, technical and tactical research.

While placing trade orders for clients, PAG follows the clients' stated investment objectives and risk tolerance as outlined in client intake information. All investment advisory clients are advised that past performance is not necessarily indicative of future results and there are inherent risks of loss to certain types of investments.

#### **Item 9: Disciplinary Information**

*Not applicable*

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

*Not applicable*

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

PAG maintains a Code of Ethics and they will provide a copy to any client or prospective client upon request.

PAG may aggregate orders in a block trade or trades when securities are purchased or sold through Fidelity Investments for multiple (discretionary) accounts. If a block trades cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day are allocated in a manner that is consistent with the initial pre-allocation or other written statement. This is done in a way that does not consistently advantage or disadvantage particular client accounts. For example, a partial fill will generally be filled pro-rata among participating accounts. Prior to entry of a

block trade, a written pre-allocation will be generated which identifies the group of client accounts participating in the order.

Investment advisor representatives of PAG, and/or other employees of PAG may from time to time buy or sell for their own personal accounts the same securities which have also been recommended to clients. Any such securities transactions are likely to be insignificant in relation to the market as a whole. As a practice, the transactions, if any, of PAG are executed after or at the same time as related client transactions are executed.

### Item 12: Brokerage Practices

PAG has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides PAG with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist PAG in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help PAG manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom PAG may contract directly.

PAG is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

See also Item 5 and 11.

### Item 13: Review of Accounts

After one year, PAG may contact financial planning clients (and/or advisory clients) and offer to review their plans. This will help ensure that their plan still reflects the client's

financial goals and objectives, and give PAG the opportunity to amend the plan to accommodate any changes in the client's circumstances (retirement, marriage, disability, etc.). This service is optional, and the client is not obligated to accept. If the client chooses to have this annual review the fee will be \$250

Persons who retain the Patriot Advisory Group as investment advisory clients may be subject to a \$250 an hour fee to review their account(s) in light of the nature of each review. The fee will be assessed at the discretion of PAG.

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

Properly licensed members of PAG may offer life insurance products, long term care insurance or fixed annuities to clients. All products offered will only be after assessing the client's total financial situation and need for such products.

PAG may also compensate third parties of whom contribute to aspects of financial planning services provided to clients (i.e., an attorney; for time spent reviewing estate planning concerns related to a complete financial analysis). Such payment is negotiated on a case by case basis and is itemized on a client invoice.

In the event client referrals are generated with compensation to a third party, registration of all parties will occur within the state of which business has been referred.

#### **Item 15: Custody**

*Not applicable*

#### **Item 16: Investment Discretion**

All investment advisory accounts are managed on a discretionary basis. See Item 4

#### **Item 17: Voting Client Securities**

PAG will not be required to take any action or render any advice with respect to the voting of proxies for securities held within client accounts.

#### **Item 18: Financial Information**

*Not applicable*

#### **Item 19: Requirements for State-Registered Advisers**

See Brochure Supplement