

Introduction

Patton Financial Associates is part of Proactive Wealth Strategies, LLC (“PWS”) which is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

PWS provides financial planning and investment management services for individuals, trusts, estates, charitable organizations, and business entities.

Asset management services are provided most often on a discretionary basis but sometimes on a non-discretionary basis. When managing on a discretionary basis, we make all decisions to buy, sell or hold securities, cash or other investments in the managed account in our sole discretion without consulting with you before making any transactions. Discretionary accounts are managed to your investment objective which is ultimately your choice. When managing on a non-discretionary basis, we consult with you prior to any transactions being made. PWS does not have an account minimum to start or maintain an advisory relationship. If the Optimum Market Portfolios Program or Model Wealth Portfolios Program are used the account minimums are \$10,000 and \$25,000 respectively.

PWS’s financial planning services can include, but are not limited to, the areas of personal planning, retirement planning, income planning, business planning, estate planning, education planning, tax planning, risk management, and insurance analysis.

For more detailed information, please refer to our Disclosure Brochure, the ADV Part 2A, under Item 4 Advisory Business, Item 5 Fees and Compensation, and Item 7 Types of Clients, which can be found by [CLICKING HERE](#).

What fees will I pay?

PWS asset management fees are as follows:

<u>Assets Under Management</u>	<u>Advisory Fee %</u>
\$10,000 - \$250,000	1.50%
\$250,001 - \$500,000	1.40%
\$500,001 - \$750,000	1.35%
\$750,001 - \$1,000,000	1.25%
\$1,000,001 - \$3,000,000	1.00%
\$3,000,001 - \$5,000,000	0.90%
\$5,000,001 and above	0.80%

The account fee charged to the client for each LPL advisory program is negotiable:

<u>LPL Advisory Program</u>	<u>Maximum Advisory Fee %</u>
OMP	2.50%
MWP	2.65%

Fees are negotiable and may be higher or lower than this range, based on the nature of the account, and the origin of the client. Factors affecting fee percentages include if the account is actively or passively managed, the size of the account, complexity of asset structures, the non-management services provided to the client, and any other unique factors that may exist. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs. Financial planning fees are included in the asset management fee.

For 529 plans PWS charges a fee of 1.00% per annum based upon the market value of the account and the investment management of annuities are charged 1.0% per annum based upon the market value of the contract. Fees are negotiable in the sole discretion of PWS.

There are a number of other fees that can be associated with holding and investing in securities. Expenses of a mutual fund or ETF will not be included in management fees, as they are deducted from the value of the shares by the manager. Fees charged by independent third-party managers are also separate and additional to any fees paid to CWM, and such managers will be authorized to separately debit fees from client accounts. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more specific information regarding our fees, please refer our Disclosure Brochure, the ADV Part 2A under Item 5 Fees and Compensation by [CLICKING HERE](#).

### **What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment adviser**, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

For example, certain investment adviser representatives of PWS are also associated with LPL Financial (“LPL”) as broker-dealer registered representatives (“Dually Registered Persons”). In their capacity as registered representatives of LPL, certain Dually Registered Persons may earn commissions for the recommendation of securities or investment products that they recommend for brokerage clients. However, they do not earn commissions on the sale of securities or investment products recommended in advisory accounts through PWS.

For more specific information regarding compensation and conflicts, please refer our Disclosure Brochure, the ADV Part 2A under Item 10 Outside Affiliations by [CLICKING HERE](#).

### **How do your financial professionals make money?**

Financial professionals of PWS are paid the revenue PWS receives from client account billings. Dually Registered Persons may also earn commissions paid by LPL. Financial professionals with insurance licenses may also earn commissions on the insurance products sold to clients. However, the typical advisor compensation is salary plus bonus paid by PWS. Financial professionals are not awarded sales bonuses.

### **Do you or your financial professionals have legal or disciplinary history?**

Yes. Some financial professionals of PWS do have disciplinary history that is disclosed on their U4s. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>.

### **Additional Information**

Additional information about our investment advisory services can be found at <https://www.pfageorgia.com> or by [CLICKING HERE](#). A copy of our relationship summary can also be requested by calling (770) 971-4142.

#### **➤ *Questions to Ask Your Professional:***

- *“Given my financial situation, should I choose an investment advisory service? Why or why not?”*
- *“How will you choose investments to recommend to me?”*
- *“What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”*
- *“Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?”*
- *“How might your conflicts of interest affect me, and how will you address them?”*
- *“As a financial professional, do you have any disciplinary history? For what type of conduct?”*
- *“Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”*