

**The Pacific Financial Group Inc.  
May 2020  
Form CRS (ADV 3) – Client Relationship  
Summary**



**I. Introduction**

The Pacific Financial Group, Inc. (“TPFG”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). As an investment adviser, TPFG does not provide brokerage or commission based services. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker dealers, and investing.

**II. Relationships and Services**

**WHAT INVESTMENT SERVICE AND ADVICE CAN YOU PROVIDE ME?**

TPFG offers five Programs to retail investors: 1) Strategy Plus and Self Directed Brokerage Account ([SDBA](#)); 2) Separately Managed Account ([SMA](#)); 3) Enhanced Portfolio Investment Centre and Market Movement Solutions ([EPIC/MMS](#)); 4) Core Retirement Optimization ([COR](#)); and 5) Variable Annuity Optimization ([VAO](#)), each a (“Program”)

TPFG primarily works with unaffiliated investment adviser representatives (“Adviser”) whose supervising firms have contracted to solicit Clients to TPFG for asset management. The Adviser and TPFG will have their respective obligations to the Client.

TPFG provides portfolio management in the Programs it administers while the Adviser as the Client’s financial adviser determines the appropriateness of the Program and Strategy selected based on information provided by the Client. Under certain circumstances, advisers registered with TPFG will offer its Programs directly to investors under its Private Client services, in which case, TPFG assumes the responsibilities of the Adviser.

For all Programs other than EPIC/MMS, TPFG constructs model portfolios (each, a “Strategy”) and continuously monitors each Strategy to ensure consistency with the stated discipline. For EPIC/MMS, TPFG selects Strategies constructed by independent strategists and continuously monitors each Strategy. TPFG may serve as a strategist for EPIC/MMS. For all Programs, the Adviser determines the initial and continued suitability of each Strategy, based on the Adviser’s knowledge of the Client’s investment needs and objectives. All Strategies consist of mutual funds and exchange traded funds. Clients grant to TPFG the discretion to execute transactions in accordance with the Strategy’s investment discipline without first consulting the Client. TPFG has the discretion to determine the Strategies that will be available within a Program. The Investment Programs have certain limitations as noted below:

- SDBA Strategies are comprised solely of proprietary mutual funds which are managed by TPFG’s affiliate.
- COR & VAO are managed within the Client’s retirement plan/annuity and are limited to the investment options provided by the retirement plan or annuity.
- If a retirement plan will not permit TPFG to trade the account, TPFG will enter into a non-discretionary agreement.
- In EPIC/MMS, the Client’s Adviser may build custom portfolios managed by the Adviser.
- Account minimums are \$50,000 for all programs except COR and SDBA that have no minimum.

Conversation starter to ask your Adviser:

- 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 licenses, education and other qualifications? What do these qualifications mean?

**III. Fees, Costs, Conflicts and Standard of Conduct.**

**WHAT FEES WILL I PAY?**

Clients will pay various fees when participating in the Program selected as noted below. Fees are memorialized in the management agreement each client signs prior to investing. *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 over time. Please make sure you understand what fees and costs you are paying.*

Program	SDBA	SMA	EPIC/MMS	COR	VAO
TPFG’s Max Fee	1.25%	1.0%	0.45%	1.0%	1.0%
Adviser Max Fee	0.75%	1.0%	1.5%	1.0%	1.0%
Frequency	Monthly in arrears		Quarterly in advance		
Calculation	% of funds’ net asset value		% of account value as of the last trading day of the calendar quarter.		

- **Important notes about fees:** Other than SDBA, all fees are paid directly by Clients.
- For SDBA, fees are paid to TPFG's affiliate directly by Pacific Funds, for advisory services, and indirectly by Clients as Fund shareholders. Adviser fees are paid from TPFG and its affiliate's own resources. TPFG also receives an Administrative fee of 0.70% paid by the Funds.
- Fees are exclusive of internal fund fees (other than fees paid by Pacific Funds to TPFG and its affiliate, as described above), custodial fees, and for MMS/EPIC, fees charged by the Strategist, in some instances.
- Additional information about fees can be found in TPFG's form [ADV](#) (See Item 5) and the Pacific [Funds Prospectus](#) which can be found at [www.tpfg.com](http://www.tpfg.com).

**Conversation starter to ask your Adviser:**  
 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?

## **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 managing your account, we must act in your best interest and not put our interest ahead of yours. However, the way we make money creates some conflicts of interest. Some examples of conflicts include:

- TPFG will use its proprietary mutual funds when allocating accounts to the SDBA Program. TPFG profits through fees paid by the Funds to TPFG and its affiliate, which fees would not be earned through non-proprietary funds. TPFG mitigates this conflict by not charging Clients additional SDBA Program fees.
- Some strategists will pay TPFG or its affiliate for making their services available in a TPFG Program. TPFG mitigates this conflicts by reducing its Program fee by the amount received from the strategist.
- All fees are "asset based" which means the fee is calculated as a percentage of the value of the account so that Clients will pay more in fees as the account value increases.
- For additional information about conflicts of interest see TPFG's form [ADV](#) Items 5 & 10

## **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

TPFG profits from the fees charged to Clients and from its proprietary mutual funds. A portion of these fees are paid to TPFG's financial professionals. See TPFG's Form [ADV](#) Item 5 & 10 for additional information about conflicts of interest and mitigation.

**Conversation starter to ask your Adviser:**  
 How might your conflicts of interest affect me, and how will you address them?

## **IV. Disciplinary History**

### **DO YOU OR YOUR FINANCIAL PROFESSIONAL HAVE LEGAL OR DISCIPLINARY HISTORY?**

Neither our firm nor its financial professionals have any legal or disciplinary history. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS)

**Conversation starter to ask your Adviser:**  
 As a financial professional do you have any disciplinary history? For what type of conduct?

## **V. Additional Information**

For additional information about our services, visit [www.TPFG.com](http://www.TPFG.com) where you can find our Form [ADV](#) and other information about us to include the [Prospectus](#) for our proprietary funds. You can also call us at 800-735-7199 or email us at [teamCS@tpfg.com](mailto:teamCS@tpfg.com) to request a free copy of our ADV and Form CRS or to speak with a TPFG Investment Adviser Representative.

**Conversation starter to ask your Adviser:**  
 Who is my primary contact person? Is he/she a representative of an investment adviser or broker dealer? Who can I talk to if I have concerns about how this person is treating me?