PROFESSIONAL FINANCIAL
Integrative Wealth Management ▪ Clarity. Commitment. Confidence.

Professional Financial Strategies, Inc.

SEC File Number: 801-107130

IARD/CRD File Number: 125580

Firm Brochure

Form ADV, Part 2A

Dated January 31, 2017

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Chief Compliance Officer

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This brochure provides information about the qualifications and business practices of Professional Financial Strategies, Inc. (the "Advisor"). If you have any questions about the contents of this brochure, please contact us at (585) 218-9080 or paulhill@professionalfinancial.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. References herein to Advisor as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Additional information about Advisor is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2/**Material Changes**

MATERIAL CHANGES FOR UPDATE OF SEC REGISTRATION

No material changes have been made to Advisor's Part 2A Brochure since last year's Annual Amendment filing on January 31, 2016. Advisor below has made disclosure additions and enhancements, including Advisor's Business and Fees and Compensation sections and regarding financial planning limitations, portfolios, retirement rollovers, and fee minimums.

ANY QUESTIONS: Advisor's Chief Compliance Officer, Paul Byron Hill, remains available to address any questions regarding this Part 2A, including disclosure additions and enhancements below.

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Item 4/**Advisory Business**

A. Professional Financial Strategies, Inc. (the "Advisor") is a corporation formed February 1993 in the State of New York. Advisor registered as an investment adviser in March 1993, and is registered with the SEC since January 2016. Advisor is owned by Paul Byron Hill, who also serves as President and Chief Compliance Officer.

B. Advisor offers individuals and families (including their related business entities, ERISA plans, testamentary trusts, estates and certain charitable) integrative wealth management services. Wealth management integrates investment management, advanced financial planning and working with a Client's professional relationships. Targeting professionals and physicians, Clients primarily are successful or higher net-worth individuals, their immediate families and close relatives, and business entities they privately own. Advisor is compensated solely by fees, and not by commissionable investment or insurance products or services.

"Wealth management" services by Advisor integrate personal *financial planning services* and a specialized approach to *investment management services.* Advisor's wealth management process is highly consultative, for making informed planning decisions related to: investment management, wealth enhancement, wealth transfer, wealth protection and charitable giving.

FINANCIAL PLANNING CONSULTING

Advisor provides personal financial planning services, acting as the Client's personal chief financial officer. Advisor may provide financial planning consulting for investment management Clients and for certain persons related to those Clients, at Client request. Financial planning consultations generally include advice related to five personal planning areas: investment planning, income tax planning, benefits planning, estate planning and charitable giving. Advanced planning services address important areas of concern for achieving essential Client financial goals. Ongoing financial planning consulting services will prioritize specific area for analysis each year. A broad financial plan is developed for most new Clients, and advanced planning beginning the first year builds and enhances the wealth management relationship.

Five levels of *Financial Planning Consulting* provided are:

*Wealth Planning & Consulting **(Premier Level):*** Advisor provides either advanced financial consulting analysis itself or coordinates planning with a network of professional specialists, such as CPAs, attorneys, actuaries, and insurance agents. Annual investment policy review, benchmarking and various portfolio studies are provided by Advisor, as well as goal progress reporting in subsequent quarterly meetings. Client profiles are updated annually, and selected analyses are provided or updated as necessary. Tax preparation with limited bookkeeping is offered through the professional network or Client's personal professional. Business employee benefit and retirement plan consulting may be offered for physicians in private practice.

*Wealth Planning & Consulting **(Standard Level):*** Advisor provides either advanced financial consulting analysis itself or coordinates planning with a network of professional specialists, such as CPAs, attorneys, actuaries, and insurance agents. Annual investment policy review, benchmarking and various portfolio studies are provided by Advisor, as well as goal progress reporting in subsequent meetings. Client profiles are updated annually, and selected analyses are provided or updated as necessary. Tax preparation is coordinated through the professional network or Client's personal professional. Consultations related to a business or professional practice are not provided. Personal meetings for planning are generally twice yearly.

*Financial Planning Analysis **(Legacy Level):*** Advisor provides advanced financial consulting analysis itself, and does not coordinate directly with its professional network. Annual investment management recommendations include limited assistance for portfolio repositioning. This limited service is for related persons of "Premier" or "Standard" level advisory clients, and those clients continuously with the firm for 15 years or longer. Personal meetings with Advisor are generally limited to once a year.

*Financial Consulting Studies: **(Introductory):*** Client engages Advisor to study their personal goals, risk tolerance and preferences to prepare an Investment Policy Statement and portfolio analysis. Advisor prepares a comprehensive financial plan including a Total Client Profile, Advanced Planning Profile, Goal Progress Report, focusing on matters of particular concern. Financial analyses or studies are provided as reasonably necessary. Services may be coordinated with professional specialists. For Clients not intending to engage Advisor for continuous investment management services. These services are usually hourly.

Limitations of Financial Planning & Consulting Services. Only to the extent a Client requests, Advisor may provide supplemental financial planning and related consulting services regarding non-investment related matters (tax planning, insurance studies, estate planning, etc.) either inclusive of its investment management fee or separately for a fixed or hourly fees. The client retains absolute discretion over planning/consulting decisions, and is free to accept or reject any recommendation by the Advisor.

Limitations for Professional Network Recommendations. To the extent a Client requests, Advisor may recommend specialists from their professional network for non-investment implementations. Client is not obligated to engage the services of any professional the Advisor recommends. Client retains absolute discretion over any engagement, and is free to accept or reject any professional's recommendation. ***Please Note***: Advisor **does not** serve as an attorney or an accountant, and no portion of our services should be construed as such. Accordingly, we **do not** provide accounting services, prepare estate planning documents, offer actuarial studies, or plan administration. To the extent a Client requests, we may recommend the Firm's associate, Kam-Lin K. Hill, CFP, in her individual capacity as a licensed insurance agent or for tax preparation.

See Item 10 disclosure. ***Please Note*:** If the client engages a professional unaffiliated with the Firm, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively against from that same professional.

Client Obligations. In performing planning services, Advisor shall not be required to verify any information received from the Client or from the Client's other professionals, and is expressly authorized to rely thereon. Moreover, each Client is advised that it remains their responsibility to promptly notify us if there is ever any change in their financial situation or investment objectives related to reviewing/evaluating/revising any previous recommendations and/or services. Notice to the Advisor must be provided in writing by mail or email.

INVESTMENT MANAGEMENT

Investment consulting is the foundation of the Advisor's wealth management process. The Advisor provides *discretionary* investment advice only with respect to limited types of securities. Advisor is independent of any broker-dealer, insurance company, or banking institution. Its compensation is solely fees paid by the Client. Independent broker-dealer/custodial services are offered through Charles Schwab & Co. ("Charles Schwab"). Certain annuities, insurance, 529 or ERISA plans may be provided variously by TIAA, Transamerica Life, Hartford Life or Dimensional Retirement Plan Services LLC. Employee retirement accounts and directly-owned real estate may be coordinated as part of planning a comprehensive wealth management strategy.

Advisor offers various levels of discretionary investment advisory services that may be coordinated with its financial planning consulting offering. These are summarized as:

- **Investment Management—*Premier Level*.** Portfolio strategies structured around the Client's investment policy are arranged primarily from multi-factor dimensional vehicles held in broker-dealer/custodial accounts. Variable annuity/529 plan subaccounts and/or employer retirement plans would be coordinated. Portfolios are structured primarily from institutional-class mutual funds, but may include ETFs or other vehicles. Company retirement plans and/or stock option and/or restricted stock plans have fund limitations, and making non-discretionary retirement plan changes are Client responsibility. Financial Planning Consulting services may be offered to these Clients. Advisory services for related family members may be provided as "Legacy Level" investment management or wealth consulting services under a household billing. Premier level investment advisory services are generally subject a $5,000 minimum quarterly fee (or to become that level within five years), which may be adjusted higher based on the aggregate total of Client assets managed or supervised by the Advisor and/or additional services provided. Generally four substantial personal and four personal telephone/internet meetings or communications with CFP senior staff will be provided each year.
- **Investment Management—*Standard Level*.** Portfolio strategies structured around the Client's investment policy are arranged primarily from multi-factor dimensional vehicles held in broker-dealer/custodial accounts. Variable annuity/529 plan subaccounts and/or employer retirement plans are coordinated. Portfolios are structured primarily from institutional-class mutual funds, but may include ETFs or other vehicles. Company retirement plans and/or stock option and/or restricted stock plans have fund limitations, and making non-discretionary retirement plan changes are Client's responsibility. Financial Planning Consulting services may be subject to supplemental surcharges at Advisor's discretion. Standard level investment advisory service is subject to a $2,500 minimum quarterly fee, adjusted higher based on the aggregate total of Client assets managed or supervised. Generally two substantial personal and two personal telephone/internet meetings or communications with CFP staff will be provided each year.
- **Investment Management—*Legacy Level*.** Portfolio strategies structured around Client's investment policy are arranged primarily from multi-factor dimensional vehicles held in broker-dealer/custodial accounts. Variable annuity/529 plan subaccounts and/or employer retirement plans may be coordinated. Portfolios are structured primarily using institutional-class mutual funds. Company retirement plans have fund limitations, and non-discretionary retirement plan changes are Client responsibility. Standard level investment advisory service is subject to a $1,250 minimum quarterly fee, adjusted higher based on the aggregate total of Client assets managed or supervised. Generally one substantial personal and one personal telephone/internet meetings or communications with CFP staff will be provided each year. No substantial financial planning or advanced planning services are provided without a separate consulting agreement and charge.
- **Independent Investment Managers**. Advisor may recommend certain Client assets be apportioned among unaffiliated independent "separate account" portfolio managers. For such assets, the *Independent Investment Manager(s)* shall have day-to-day responsibility for active discretionary management. Advisor shall render investment advisory services relative to ongoing monitoring and review of account performance, factor consistency and investment policy strategy. Advisor considerations for recommendation of any *Independent Investment Manager(s)* will depend on Client's investment policy: written objective(s), methodology, tax-efficiency, reputation, research, reporting, performance and pricing. Independent Investment Manager(s), if any, will separately charge an investment advisory fee. Advisor will offset his fee based on that charged by the *Independent Investment Manager,* except in the special case of Dimensional Retirement Plan Services LLC where such additional advisory fees will be separately disclosed.

  Non-Discretionary Investment Supervisory Limitations. Some Financial Planning & Consulting Clients may engage Advisor on a non-discretionary, rather than on a discretionary investment advisory basis. This also will be the case for Investment Management accounts held in annuities, 529 plans and employer retirement plans such as 401(k)s or 403(b)s. Such Clients ***must be willing to accept*** that Advisor cannot effect any account transactions without obtaining verbal or written consent prior to proposed transaction(s). Thus, in periods of high market activity where Client *is unavailable to provide verbal consent*, Advisor will be unable to effect any account transactions as it could for discretionary Clients. However, multifactor investment strategies employed by the Advisor specifically allow for potential loss from periods of high market volatility. Clients are expected to maintain disciplined allocations during such periods of high market activity, and if possible the *Client themselves in those accounts will reposition equity levels back to investment equity levels*, either as a percentage or an absolute amount.

C. **Advisor customizes investment advisory services** specific to the specialized values, goals, circumstances, risk preferences and tax situations of successful professionals and physicians. Individualized portfolios are structured based upon a mutually-agreed investment policy strategy. A highly consultative process begins the investment advisory relationship. At least annually thereafter, Advisor compares each Client's values, goals and circumstances with their collective investment portfolios and other resources, such as pensions. Advisor generally plans coordinated adjustments among all the account as an aggregate. The aggregate portfolio among various accounts should correspond with the investment policy strategy approved by the Client.

Clients may, at any time impose restrictions or limitations, in writing, either in regards to investing in certain securities or restricting the sales of certain securities. (ERISA plans are subject to regulatory restrictions.) Such restrictions, however, must be consistent with a sensible overall wealth management strategy and acceptable to professional CFP practices. Restrictions unacceptable to Advisor may result in termination of the investment management relationship.

Advisor's wealth management consulting process involves: identifying important Client values and goals, planning informed strategies, obtaining commitment to mutually agreed-upon plan, and then periodically monitoring the plan and making timely adjustments to stay on course. Advanced Planning goes beyond investment management, and addresses concerns related to wealth enhancement, wealth transfer, wealth protection and charitable giving. Relationship Management develops and maintains a sound relationship with the Client with their trusted professional advisors, including those who have a working relationship with Advisor.

The wealth management relationship develops progressively over series of meetings:

1. **Discovery Meeting:** The first meeting explores Client's values and goals to decide whether a mutually beneficial fit exists, and whether substantial benefits from a professional relationship are possible. The Advisor considers Client's current circumstances, and the potential challenges involved in realizing significant performance improvements with planning reliable outcomes.
2. **Investment Planning Meeting:** Using all the information previously collected and from additional sources (such as, risk tolerance questionnaires), Advisor presents an investment planning strategy based on his diagnosis of the gap in where the Client is compared to where they want to be. Advisor proposes an overall investment strategy, and explains the rationale behind that recommendation. Necessary adjustments are made based on Client input and new information.
3. **Mutual Commitment Meeting:** Client and Advisor here commit to work together for mutually-agreed long-term goals. Detailed questions and specific issues regarding investment management are addressed, and adjustments continue to be made. Agreements are signed, and Advisor assists Client in opening custodial accounts and making account transfers. Specific portfolio recommendations are explained, to be approved by Client prior to implementation.
4. **Organizational Meeting:** New account paperwork and transfers is organized, and issues involved with setup are addressed. Additional accounts and more transfers may be needed. A web platform is completed. Client reviews and approves the initial portfolio implementation.
5. **Regular Progress Meetings:** Before the first regular progress meeting, Advisor has met with his professional network to develop an advanced plan for additional areas of Client concern. At subsequent progress meetings, Advisor reports on the progress Client is making toward achieving their financial goals, and reviews or assists with recommendations made for Advanced Planning. Changes in personal, health, financial, and career are monitored, and investment planning and related matters such as taxes are adjusted as necessary.
6. **Annual Planning Review Meeting:** This review meeting is at the heart of the planning process. The Client's Total

WEALTH MANAGEMENT CONSULTING PROCESS

- Step 1 — Discovery meeting
- Step 2 — Investment planning meeting
- Step 3 — Mutual commitment meeting
- Step 4 — Organizational meeting
- Step 5 — Regular progress meetings

Personal Profile and Goal Progress Report updated based on the Client's discipline and commitment to the planning process. Other periodic meetings may review Advanced Planning matters, such as those related to annual tax preparation and planning.

Client Obligations. In performing our services, Advisor shall not be required to verify any information received from the Client or from the Client's other professionals, and is expressly authorized to rely thereon. Moreover, each Client is advised that it remains their responsibility to promptly notify Advisor if there is ever any change their financial situation or investment objectives for the purpose of reviewing/evaluating/revising Advisor's previous recommendations and/or services. Notice to Advisor must be provided in writing by mail or email.

PLEASE NOTE: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including particular investments and/or investment strategies recommended or undertaken by Advisor) will be profitable or equal any specific performance level(s).

PLEASE NOTE: Use of Dimensional Fund Advisor portfolios: Many mutual funds or ETFs are available directly to the public, without need to engage an investment professional as an intermediary. That is, they may be utilized and available independent of engaging Advisor. Other mutual funds, such as those issued by Dimensional Fund Advisors ("DFA"), are generally only available through a specially approved group of registered investment advisers. Advisor utilizes primarily DFA mutual funds. Thus, if the Client was to terminate Advisor's services, restrictions regarding transferability and/or additional purchases of, or reallocation among, DFA funds will apply.

Advisor's Chief Compliance Officer, Paul Byron Hill, remains available to address any questions that a Client or prospective Client may have regarding the above.

PLEASE NOTE: Retirement Rollovers—Potential for Conflict of Interest: A Client or prospective Client upon leaving an employer typically has four options regarding their funds in a company 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 result in serious adverse tax consequences depending upon the Client's age and amount). If Advisor recommends that a Client roll over their retirement plan assets into an account to be managed by Advisor, such a recommendation creates a conflict of interest if Advisor earn an Advisor fee (or a higher fee) on the transferred assets. No Client is under any obligation to rollover retirement plan assets to an account managed by Advisor.

Advisor's Chief Compliance Officer, Paul Byron Hill, 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.

D. Advisor does not participate in a wrap fee program.

E. As of December 31, 2016, Advisor had approximately $130,500,000 in assets with 99 discretionary advisory Clients. Another non-discretionary $10,700,000 of assets under advisement with non-continuous management with the same Clients are associated with employer retirement plans, 529 accounts, variable annuities and variable life insurance.

Item 5/**Fees and Compensation**

A. Advisor's regular fee for investment management services may be inclusive of specified financial planning consulting services for wealth management at Advisor's sole discretion and only if requested by Client. Some consulting services may involve additional fees regardless of Client relationship. The investment management services agreement automatically renews, but every financial planning consulting agreement terminates at the end of each calendar year.

B. Advisor's regular fee has a fixed minimum with a variable component, depending on the total assets under management or advisement and unsupervised investments coordinated for planning. For clients requesting or requiring levels of non-investment consulting services after more than two years, Advisor may not allow or disallow previous discounts or eveb change a supplemental fee (as described below) before renewing a financial planning consulting agreement. Client is fully responsible for any fees or charges for any professional unaffiliated with Advisor that they may engage.

Wealth management engagements generally begin with a formal investment planning strategy with an Investment Management Agreement (IMA). In those cases where the engagement may begin with a Financial Planning & Consulting Agreement (FPC), that fee is fully creditable toward an IMA agreement within 90 days of the dating of a Financial Planning Consulting Agreement. Thereafter, the FPC would be offered in coordination with the IMA.

FINANCIAL PLANNING & CONSULTING SCHEDULE

Single Person	If Income and Net Asset Base	Each Year
Standard Service	First $500,000	$5,000
Preferred Level	Next $2,000,000	$10,000
Premier Level	Next $2,000,000	$15,000
Report Consulting	Over $5,000,000	$20,000+

Married Couple	If Income and Net Asset Base	Each Year
Standard Service	First $500,000	$5,000
Preferred Level	Next $2,000,000	$10,000
Premier Level	Next $7,000,000	$20,000
Report Consulting	Over $10,000,000	$30,000+

FINANCIAL PLANNING CONSULTING

Advisor provides Financial Planning & Consulting (FPC) services based on the fee schedule below. This service does not include actual investment management. Financial planning services beyond personal planning or those Clients with a history of above-average personal meetings and telephone/email contacts are subject to additional charges. Professional specialists not affiliated with Advisor are paid separately by the Client based on the professional's own fee schedule.

Wealth Planning & Consulting ***(Premier, Standard & Legacy Clients):*** Advisor's FPC fee for non-investment planning services depends on Client's combined income and net worth (excluding primary and secondary personal residences, but including company retirement plans, non-qualified plans and commercial or rental real estate) as follows:

Advisor charges a $5,000 annually minimum for FPC services. IMA Clients, beginning the third calendar year, at Advisor's sole discretion and based on their historical level of advisor meetings and calls/communications, may have part or the entire fee waived for that calendar year. FPC agreements terminate on December 31 of each year, or upon completion of services specified in the annually signed agreement. Depending on Client's level, one to four substantial planning meetings are provided; and two to eight substantial calls/communications are provided. Normal service contacts involving staff or emergency/crisis situations are excluded.

Financial Consulting Studies: Where company retirement benefits or plans, business interests or executive compensation are involved, an hourly fee may be substituted. Clients with net worth above $5,000,000 primarily due to business or commercial real estate interests, or where Client does not intend to engage Advisor for investment management services, hourly rates will apply.

Fees: The hourly rate is $500 per hour for Paul Byron Hill, CFP; $350 per hour for Kam-Lin Kok Hill, CFP; $250 per hour for all other CFPs; $125 per hour for staff time. A 50% retainer is required upon engagement. Hours will not exceed that specified in Agreement without written approval in advance. This is generally intended for supplemental planning and implementation services for Client or their related persons in non-investing matters. The unused portion of any retainer will be refunded or applied to prorated quarterly fees upon request.

Advisor does not provide advice relating to hedge funds, limited partnerships or real estate businesses, private equity ventures or business valuations. In such matters, the Client would be referred to a professional specialist, and would pay those professionals separately. Client is solely responsible for their own legal and accounting fees.

If a Client request termination of their advisory engagement during any quarter when substantial FPC services were provided, FPC schedule fees will apply for the entire quarter. Regular IMA fees for the same period would be subject to pro-rata adjustment, although discounts previously credited would be disallowed.

Investment Account Arrangements: Assistance opening broker-dealer/custodial accounts with Charles Schwab, Hartford 529 plans or other arrangements, including account transfers. Client accounts are integrated with Advisor's relationship and portfolio management systems.

Fees: In some cases, Advisor may charge $500 for each Charles Schwab account, or $250 per account for Transamerica Life, TIAA, Hartford Life, Vanguard or other variable annuities. The minimum fee for arranging any variable life insurance policy with TIAA is $1,000; whenever life insurance replacement is involved, then the minimum fee will be $2,000.

INVESTMENT ADVISORY MANAGEMENT

For investment advisory management services, Advisor's advisory fee (between 0.20% and 1.50%) is based upon an annual percentage (%) of the market value and location of assets placed under supervision. Fee schedules on this page are subject to household minimums ($2,500 quarterly for "Standard" level services and $5,000 quarterly for "Premier" level services):

1. **Investment Management—*Custodial Accounts.***
   This investment management fee schedule on the this page applies to the aggregate of all related accounts custodied with Charles Schwab & Co. under a single household billing having the same taxpayer identification number. Non-spousal accounts with different taxpayer identification numbers restart the schedule.

   Fees between $100,000 up to $1 million *may be adjusted at the sole discretion of the Advisor* after completing two full calendar years. An adjustment is considered only when substantially all Client investible assets (at least 95%, the balance held in bank deposits or equivalent) are under Advisor supervision, and when Client requesting a *Financial Planning Consulting Agreement* for that calendar year has maintained a reduced level of personal meetings and calls/communications for the prior 24 months. Where assets are

CUSTODIAL ACCOUNTS: INVESTMENT MANAGEMENT SCHEDULE

Aggregate Advisory Assets Managed	Per Quarter	Annualized Rate
First $100,000	0.375%	1.50%
Next $900,000 to $1 million	0.250%	1.00%
Next $1 million to $5 million	0.200%	0.80%
Next $5 million to $10 million	0.175%	0.70%
Next $5 million to $15 million	0.150%	0.60%
Next $10 million to $25 million	0.125%	0.50%
More than $25 million	0.100%	0.40%

Subject to minimum annual fee for level (prorated quarterly). Fees may be negotiable for the first $1 million after two calendar years under certain conditions.

NON-CUSTODIAL ACCOUNTS: INVESTMENT MANAGEMENT SCHEDULE

Aggregate Advisory Assets Supervised	Per Quarter	Annualized Rate
First $1 million	0.250%	1.00%
Next $1 million to $5 million	0.150%	0.60%
Next $10 million to $15 million	0.125%	0.50%
Next $10 million to $25 million	0.100%	0.40%
Next $25 million to $50 million	0.075%	0.30%
More than $50 million	0.050%	0.20%

Subject to minimum annual fee for level (prorated quarterly). These fees coordinate with the custodial Investment Management Schedule above.

held with Schwab Trust Company for management, trustee fees are credited fully as an offset.

2. **Investment Management—*Non-Custodial Accounts*.** This fee schedule applies to employer retirement plans (not custodied with Charles Schwab), variable/ fixed annuities, variable/fixed life insurance, and 529 College Savings Plans. Non-custodial accounts are aggregated with Charles Schwab & Co. custodial accounts, and on-custodial accounts are calculated "on top of" any regular custodial accounts, for a potentially lower schedule rate. This fee schedule is not negotiable. These fees may be credited toward the minimums of a *Financial Planning Consulting Agreement.* Also, fees for assets in ERISA plans invested with Dimensional Retirement Plan Services LLC will begin at the $1 million level, and reduce accordingly.

B. Clients may pay advisory fees when due directly by check, or have fees deducted from the corresponding Charles Schwab & Co. custodial account. Client may change this arrangement any quarter. Billings are quarterly in advance under the *Investment Management Agreement.* Billings are based upon the market value of the assets on the last business day of the previous quarter (including additions within 30 days thereof), subject to service-level minimums. Broker-dealer/custodial agreements authorize debiting accounts proportionally for the annualized fee (ordinarily one-fourth of the annualized rate quarterly in Client billing statements) and to directly remit that investment advisory fee deducted to Advisor in compliance with certain regulatory procedures where a Client has not paid Advisor directly. Payment is due upon receipt of Advisor's statement. Where only the *Financial Planning Consulting Agreement* applies for advisory services, 50% of the total fee is due upon billing, and 50% the following quarter.

Where fees are payable for non-custodial accounts or for supplemental FPC services, or to adjust for a minimum quarterly fee, those fees will first be deducted from non-qualified custodial accounts, and only then from qualified custodial accounts. Either account may be debited for custodial accounts where spouses hold mutual powers of attorney. The Client may request in writing that the fee be deducted from a specific custodial account. For Clients paying their advisory fee directly, when advisory fees remain unpaid after thirty days from the billing date, custodial accounts will be debited in the manner described above.

C. As discussed in *Item 12*, unless the Client directs otherwise or circumstances dictate, Advisor recommends that Charles Schwab and Co., Inc. ("Charles Schwab") serve as the broker-dealer/custodian for investment advisory assets. Charles Schwab charges brokerage commissions and/or transaction fees for effecting securities transactions (i.e. transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). Charles Schwab's maximum internet mutual fund transaction fee for Advisor is $49, maximum stock or ETF commission is $4.95. In addition to all these fees, Clients will also incur charges imposed at the fund level with all mutual fund and exchange traded funds (e.g. regular management fees and other maintenance expenses). For example, institutional-class mutual fund charges may range from .12% to .69% annualized for Dimensional Fund Advisor Portfolios.

529 college plans and deferred annuities (both non-custodial) have maintenance and expense charges at the account level in addition to fund expenses. For example, Hartford Life Insurance (WV plan) ranges from .62% to .78% annually including mutual fund management fees. Transamerica Life (NY) charges .65% annual M&E charge plus a $30 annual policy charge excluding mutual fund management fees. TIAA charges .33% annual M&E with no annual policy charges plus normal mutual fund management charges.

D. Advisor's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon quarterly beginning account balances. A minimum annual fee, prorated and paid quarterly, is based on "Premier" level or "Standard" level status described in *Item 4 (B)*. The minimum fee, if applicable, is wholly offset based on calculations from Investment Management Schedules also found in *Item 4 (B)*.

Advisor, in its sole discretion, may charge a lesser investment management fee and/or reduce or waive its annual minimum fee based on certain criteria (i.e., anticipated future additional assets, dollar amounts to be managed, anticipated future earnings capacity, related family accounts, length of historical relationship, account composition, anticipated services required, etc.). Certain adjustments based on aggregated household accounts may not be applied equally to all members. Some Legacy level Clients may be offered a modified *Financial Planning Consulting Agreement.*

Please Note: Client subject to the annual minimum fee may pay a higher percentage fee than the annual fee percentage referenced in the above fee schedules.

The Investment Management Agreement between Advisor and Client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Management Agreement*. As of the date of termination, the Advisor shall refund a pro-rated portion of the advanced advisory fee deducted based upon remaining days in the billing quarter. Quarterly charges related to the *Financial Planning Consulting Agreement,* if provided, shall not be refunded.

E. Neither Advisor nor its representatives accept compensation (commissions) from the sale of securities or other investment related products for performing investment advisory services.

Disclosure Statement. A copy of the Advisor's written Brochure as set forth on Part 2A of Form ADV shall be provided to each Client prior to, or contemporaneously with, the execution of the *Investment Management Agreement* or *Financial Planning Consulting Agreement.*

Disclosure for Certified Financial Planners™: Clients have the right to ask at any time about compensation arrangements regarding any Advisor employee who is a CFP® designee.

Item 6/**Performance-Based Fees and Side-by-Side Management**

Neither the Advisor nor any supervised person accepts performance-based fees.

Item 7/**Types of Clients**

Advisor's wealth management Clients are primarily affluent individuals or high net worth individuals and their relatives. Private business entities, small retirement plans, family-related trusts, estates and charities may be Clients. Advisor may aggregate non-household accounts to satisfy household account minimums in order to qualify a family-related Client. Advisor does not serve investment companies, banks, hedge funds, public companies, governmental entities, or large ERISA retirement plans.

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

A. Methods of Analysis

Fundamental analysis studies sources of risk and identifies dimensions of risk and *expected* return. Advisor uses "structured" dimensional allocations based on a multifactor model empirically grounded in the science of financial markets as it's primary investment management strategy. The so-called "Fama/French" multifactor model offers a simple and elegant framework for portfolio design, analysis and investment discipline. Based on decades of academic research, the multifactor model brings order and clarity to the investing process—isolating and explaining forces that drive persistent and pervasive returns in equity and fixed income markets. Each Client's individualized investment policy guides periodic portfolio repositioning, without market timing, relative to target factor risk benchmarks coordinated across Client accounts. Advisor relies on multiple information sources that include financial publications, research materials, subscription services and internet resources, such as Morningstar Direct, Schwab Advisor Services, and primarily Dimensional Fund Advisors research, resources, analytical tools, and consultants.

Investment Strategies

Prudent investing is a rational process. It involves deciding how much risk to take, then choosing asset classes to match the Client's preferred risk-return trade off. How a portfolio is exposed to risk—which asset classes are held and in what proportions—determines expected return relative to other possible asset class allocations. The Client's asset class allocation, described in their investment policy, is the main determinate of expected returns for planning over long horizons. Advisor manages a broad range of asset allocations to meet needs of Clients with diverse investment goals, but primarily wealth preservation related to retirement income.

Advisor manages investment strategies based on these core beliefs: *(1) Securities are fairly priced in liquid and competitive markets, (2) diversification is essential, and (3) investing involves trading off risks and cost with expected returns.* These time-tested principles have guided Advisor's efforts for over two decades. Differences in return among equity portfolios are largely determined by relative exposure to three factors or "dimensions": the market, small cap stocks, and value stocks. Stocks offer higher expected returns than fixed income like bonds due to a higher perceived risk of volatile market exposure. Many economists further believe that small cap and value stocks outperform popular large cap and growth stocks because markets rationally discounts equity prices to reflect the underlying risk. Lower relative prices give investors greater upside potential as compensation for portfolios bearing these specially compensated risks. Advisor structures strategies based on academic research rather than on speculation or commercial indexes. Small cap strategies employed target smaller stocks more consistently. Value strategies employed target value returns with greater focus. Thus, more consistent portfolio structured is achieved.

In Advisor's view the road to investment success lies in identifying the risks that bear compensation, choosing how much of these risks to have an investor bear, and then striving to minimize the risk and costs imposed by traditional approaches. Research-based portfolio engineering through many of the mutual fund providers employed by Advisor makes this possible. Advisor seeks to allocate broadly diversified equity strategies that offer focused exposure to the sources of expected returns in the market. Engineering equity portfolios around broadly defined return sources generates opportunities for mutual fund providers employed by Advisor to add value, such as due to deviations from market cap weightings, unlike in indexing.

Fixed income allocations have three integral inputs: term, credit quality, and broad diversification. Client future

DIMENSIONAL PLANNING FOR EXPECTED RETURNS

1. Relative price as measured by the price-to-book ratio; value stocks are those with lower price-to-book ratios.
2. Profitability is a measure of current profitability, based on information from individual companies' income statements.

income needs, risk tolerances, and tax circumstances are all considered in planning. Fixed income portfolios pursue efficient exposure within defined term and credit quality ranges, and structured to balance risks, costs, and other tradeoff the arise when pursuing those dimensions. Securities selected seek to add value and control risk through yield curve and credit spread-aware designs that take advantage of a globally diverse universe of bonds, while employing patient trading to keep costs low to improve results.

Dimensions of balanced equity/fixed income portfolios point to systematic differences in expected returns. Advisor structures strategies with asset allocations around these dimensions, which are sensible, backed by empirical research, and cost-effective to capture in diversified portfolios with investor discipline for planning and achieving important Client goals and dreams.

Risk of Loss
Investing in securities exposes investors to a possible risk of loss. Past performance is no a guarantee of future results. Clients may lose money, regardless how long they may invest. Different types of investments involve varying degrees of risk. It should not be assumed that future performance of any investment or strategy of Advisor or anyone else will be profitable or equal historic past performance level(s) illustrated or suggested in an Investment Policy or other Client analysis. Riskiness of investing does not decrease over a long holding period. Performance may be affected by unforeseen economic, political, environmental as well as market information or account access issues that could negatively impact Client or Advisor's decision-making ability.

Investing risks that a Client may encounter from capital markets while implementing even a highly disciplined investment management strategy may be divided into two broad categories:

Nonsystematic Risks

- **Company or Management risk:** The impact that bad management decisions, internal situations, or external situations can have on company performance, and hence returns.
- **Credit or Default risk:** The possibility that a bond issuer won't pay interest or principal as scheduled or in full. Insurance company annuities are always subject to this risk.

Diversification, by increasing the number of underlying securities held in a portfolio, reduces nonsystematic risk. However, diversification never eliminates investment risk which is what drives expected return, and investors always are at risk losing money.

Systematic Risks

- **Market risk:** Prices of various securities are uncertain and may lose money in response to new information available to market participants from nonsystematic or random risks. Market risk may be subdivided into dimensions of large and small, growth and value.
- **Interest-rate risk**: Value of fixed income securities may decline due to changes in interest rate changes. When interest rates may increase, existing bonds decline in price.
- **Inflation risk:** Unexpected increases in the prices of goods and services will cause of loss of buying power from a decline in the value of money. Related to interest rate risk.
- **Currency risk:** Changes in the exchange rate between foreign currencies and the US dollar may increase or decrease returns of investments not denominates in US dollars.
- **Liquidity risk:** Inability to buy or sell investment or investment vehicle quickly for a price close to the true underlying value due to the "thinness" of trading in that security.
- **Sociopolitical risk:** Instability or unrest from wars, terrorist attacks, pandemics or governmental instability affect investment markets in that region or markets generally.

Asset class allocation for portfolio construction is a well-established risk management technique. Investors are more likely to be successful when focused on planning goals and maintain disciplined through market cycles. Structured asset class allocations among multiple markets worldwide further diversifies systematic risks, and reduce random risks. Risks specific to planning for Clients include: longevity risk, withdrawal risk, savings risk, spending risk, and solvency risk of benefit plans and social security.

B. Advisor's investment strategies and methods of analysis do not present significant or unusual risks. Fundamental approach avoids forecasting, speculating or market timing decision-making.

Advisor believes that the multifactor model offers an elegant framework for portfolio design, analysis, and investment discipline. It brings order and clarity to the investing process:

Strategy design: The model helps set the criteria for weighting the component portfolio sorted among five dimensions to control risk and best capture expected return.

Asset Allocation: The model defines risk exposures and serves as a framework to help investors' structure portfolios that accurately capture the expected returns of each underlying asset class.

Analysis: The model is indispensable for measuring portfolio "style" and past performance. It also produces expected return calculations that, though not predictive, helps Advisor manage assets with scientific rigor in structuring portfolios and targeting wealth management outcomes.

Discipline: The model brings purpose and focus to an otherwise chaotic planning process. It offer a frame of reference that helps investors navigate tough market conditions, set and maintain expectations, apply logic, and ultimately maintain discipline necessary for long-term planning. The model separates investing from speculation—success does not depend on selecting "skillful" managers, or correctly forecast market movements. Research shows that such efforts are futile.

Advisor's method of analysis has its own inherent risks. For any reliable analysis Advisor must have access to accurate market information. Advisor has no control over the timing or dissemination rate of market or security information; therefore certain analyses may be compiled with inaccurate information, limiting the value of Advisor's analysis. There can be no assurances that a multifactor or asset class methodology will materialize into profitable investment strategies within a Client's goal or planning horizon, if at all under certain extreme circumstances. Furthermore, no promises or assumptions can be made that Advisor's services will provide a better return than any other investment strategy. Advisor does not represent, warrantee or imply that the services or methods of analysis used by Advisor can or will predict future results, identify market tops or bottoms, or insulate Clients from losses due to market turbulence or corrections.

Advisor's choice of multifactor asset class allocation strategies has its own inherent risks and limitations. For example, multifactor strategies may require longer periods such as five to ten years—to reliably evaluate or benchmark performance relative to index management or traditional active management. Client's commitment and discipline their investment plan for extended periods is critical for successful outcomes, and personal circumstances (employment or health), tax or legal situation, or emotional tolerance may adversely change during their investing period.

C. Advisor constructs investment portfolios primarily among low-cost institutional-class mutual funds from Dimensional Fund Advisors. However, exchange-traded funds ("ETFs"), closed-end funds, individual equity and fixed income securities transferred from predecessor custodians, and annuities may be employed depending on individual Client circumstances. Most portfolios are coordinated among multiple accounts, and company retirement plans and stock option/restricted stock plans may limit investment selections. Typically regulated investment vehicles like mutual funds with underlying security holdings custodied by institutional banks specific to such services, pose no unusual risks. Advisor does not allocate assets itself into "hedge" funds, option contracts, commodities, futures contracts or any form of non-tradable limited partnership.

PLEASE NOTE: Use of Dimensional Fund Advisor Portfolios. Advisor purchases mutual funds primarily through Dimensional Fund Advisors ("Dimensional") for custodial accounts and certain annuities. Dimensional funds are available only through pre-approved registered investment advisors. Accordingly, upon termination of Advisor, Dimensional funds may be necessary to sell unless transferred to another custodian or advisor approved by Dimensional Fund Advisors. In the event Client desires to maintain Dimensional funds, new shares may not be purchased by Client through the custodian.

Item 9/**Disciplinary Information**

The Advisor or its representatives have not been the subject of any disciplinary actions.

Item 10/**Other Financial Industry Activities and Affiliations**

A. Neither the Advisor, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Neither the Advisor, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

C. (8) **Licensed Insurance Agents.** Kam-lin K. Hill, a related person, is Managing Director and an owner of Professional Financial Solutions, LLC. Ms. Hill may share in commissions or other compensation normally payable to an agent if non-TIAA insurance or annuities are ever purchased.

Conflict of Interest: The recommendation by either Advisor or its representatives that a Client purchase a commission product presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend products based on commissions received, rather than on a particular Client's need. No Client is under any obligation to purchase any commission products from any persons, and implementation is entirely at Client's discretion.

D. Advisor has no agreements with other Investment Advisors at this time, but may establish such agreements in the future.

Item 11/**Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

A. Advisor maintains an investment policy relative to personal securities transactions. This investment policy is part of Advisor's overall Code of Ethics, which serves to establish a standard of business conduct for all of Advisor's Investment Advisory Representatives that is based upon fundamental principles of openness, integrity, honesty and trust. A copy is available upon request. In accordance with Section 204A of the Investment Advisers Act of 1940, the Advisor also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Advisor or any person associated with the Advisor.

B. Neither Advisor nor any related person of Advisor recommends, buys, or sells for Client accounts, securities in which the Advisor or any related person of Advisor has a material financial interest.

C. Advisor and/or its representatives may buy or sell certain securities (stocks, bonds and similar securities) that may be recommended to Clients. This practice may create a potential situation where Advisor and/or its representatives are in a position to materially benefit from sale or purchase of those securities, creating a potential conflict of interest. Practices such as "scalping" (i.e., whereby owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon rise in market price following the recommendation) could take place if Advisor did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Advisor's Clients) and other potentially abusive practices.

Advisor has a personal securities transaction policy and procedures in place to monitor the personal securities transactions and securities holdings of each of Advisor's "Access Persons." Advisor's securities transaction policy requires that Access Person of the Advisor must provide the Chief Compliance Officer or his/her designee with a written report of the their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Advisor selects. (However in the event Advisor ever has only one Access Person, submitting such securities reports is not required.)

D. Advisor and/or its representatives *may* buy or sell certain securities, at or around the same time as those securities are recommended to Clients. This practice could create a potential situation where the Advisor and/or its representatives are in a position to materially benefit from the sale or purchase of those securities, a potential conflict of interest. As indicated above in *Item 11.C*, Advisor has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each Access Person. Additionally, each Access Person must provide quarterly transaction reports within thirty days after the end of each calendar quarter.

Exceptions:

(1) Advisor's investment policy recognizes that certain securities purchased and sold on behalf of Clients trade in sufficiently broad markets to permit transactions to be completed without any appreciable impact on markets of those securities. Under such circumstances exceptions may be made to the policies stated above; records of those trades, including the reasons for the exceptions, will be maintained with records in the manner set forth above. As a matter of Advisor policy, Access Persons are not allowed by Advisor to trade individual stocks or bonds that could conceivably create a conflict of interest. In any case, if ownership of such securities occurs due to unforeseen circumstances, any Access Persons will be "last in" or "last out" for the trading day.

(2) Interests of Advisor's Access Persons often correspond with those of Clients, and they invest in the same mutual funds as they recommend to Clients. Open-end mutual funds and/or variable annuity investment subaccounts are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. Such transactions by Access Persons are relatively small and unlikely to have any material impact on prices of fund shares in which Clients invest. Therefore they are NOT prohibited by Advisor's personal securities transaction policy.

Item 12/**Brokerage Practices**

A. Advisor generally will recommend that investment advisory accounts be maintained at Charles Schwab & Co. ("Charles Schwab"), in the event that a Client requests that Advisor recommend a broker-dealer/custodian for execution and/or custodial services. (Those Clients directing Advisor to use a particular broker-dealer/custodian are excluded.) Prior to engaging Advisor to provide investment advisory services, the Client is required to enter into a formal Investment Advisory Agreement setting forth the terms and conditions under which Advisor shall manage Client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Advisor considers in recommending Charles Schwab (or any other broker-dealer/custodian) include: historical relationship with Advisor, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Advisor's Clients shall comply with the Advisor's duty to obtain best execution, a Client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Advisor determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Advisor will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for Client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Advisor's fee. Advisor's best execution responsibility is further qualified where securities that it purchases for Client accounts are primarily mutual funds that trade at net asset value as determined at the daily market close.

1. **Research and Additional Benefits**
   Although not a material consideration when determining whether to recommend that a Client utilize the services of a particular broker-dealer/custodian, Advisor may receive from Charles Schwab (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist Advisor to better monitor and service Client accounts maintained at such institutions. Included within the support services obtained by Advisor may be investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Advisor in furtherance of its investment advisory business operations.

   As indicated above, certain support services and/or products that *may* be received may assist Advisor in managing and administering Client accounts. Others do not directly provide such assistance, but rather assist Advisor to manage and further develop its business enterprise.

   Advisor's Clients do not pay more for investment transactions effected and/or assets maintained at Charles Schwab as a result of this arrangement. There is no corresponding commitment made by Advisor to Charles Schwab or any other any entity to invest any specific amount or percentage of Client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

   Advisor's Chief Compliance Officer, Paul Byron Hill, is available to address any questions that a Client or prospective Client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. Advisor does not receive referrals from Charles Schwab or any broker-dealer/custodian.

3. Advisor does not generally accept directed brokerage arrangements (when a Client requires that account transactions be effected through a specific broker-dealer). However when such Client-directed arrangements do exist and Advisor consents to the arrangement, Client will negotiate their own account terms and arrangements with that broker-dealer, and Advisor will not seek better execution services or prices from other broker-dealers. As a result, Client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

   Note: Where Client directs Advisor to effect securities transactions for the Client's accounts through a specific broker-dealer, the Client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the Client determined to effect account transactions through alternative clearing arrangements that may be recommended by Advisor.

B. To the extent that Advisor provides investment advisory services to Clients, transactions for each Client account will be made independently and individually. Advisor will not obtain volume discounts or aggregate trades, and commission charges will vary among Clients. Advisor will not combine or "bunch" such orders to obtain best execution, or negotiate more favorable commission rates because trading is individualized for Clients while attempting to reduce overall transaction costs. Client investments are primarily mutual funds and exchange-traded funds. Portfolios are structured individually for each Client, which may include specific income tax considerations related to portfolio transactions. Advisor employs primarily a "buy-and-hold" approach with mutual funds to keep fund trading costs low. Tax planning for portfolio accounts is often much more significant than trading costs in keeping total *investor* costs, after-tax, lower.

Item 13/**Review of Accounts**

A. Advisor provides investment advisory services and conducts account reviews only periodically, and not continually. These reviews are provided by Advisor's Investment Advisory Representatives or "wealth consultants" as follows:

   FINANCIAL PLANNING CONSULTING: In addition to an annual investment review and update of accounts provided for "Premier" and "Standard" Clients, as part of the regular meeting cycle, Client financial planning and investing goals are reviewed, together with material changes to personal, professional or economic circumstances impacting their investment policy strategy. The Investment Policy may be updated though the process described in *Item 4.B* above. Account reviews for Standard level Clients, including a review of their Investment Policy Strategy, are only in response to Client request, and not provided more often than annually.

   INVESTMENT ADVISORY MANAGEMENT: Generally coordinated with Financial Planning Consulting above as part of Advisor's wealth management process as described in *Item 4* above, "Premier" and "Standard" Clients. Such periodic meetings are provided regular progress reviews, not more often than quarterly except under special circumstances. Account reviews for Standard-level Clients are annual, as described under the very limited terms of the *Financial Planning Consulting Agreement*.

B. The Advisor *may* conduct account reviews for any Client other than periodically upon the occurrence of a specific triggering event: regular progress meeting with "Premier" or "Standard" Clients; Client request; adding or distributing funds within accounts; market turbulence; or sudden or unexpected material change in a Client's personal circumstances or financial situation.

C. Clients are provided, at least quarterly, with written account summary statements and written transaction confirmation notices directly from their broker-dealer/custodian (monthly or by internet website access), from account providers (for annuities and 529 plans) and/or employer retirement plan sponsors (generally website access). At least quarterly and in more detail at least annually, Advisor provides written reports by mail summarizing aggregate account allocations, aggregate account performance, and aggregate transaction activity for all supervised accounts.

Item 14/Client Referrals and Other Compensation

A. Advisor receives no referrals of prospective Clients from Charles Schwab. As referenced in *Item 12.A.1* above, Advisor receives indirect economic benefits from Charles Schwab. Advisor, without cost (and/or at a discount), receives support services and/or products from Charles Schwab.

Advisor's Clients do not pay more for investment transactions effected and/or assets maintained at Charles Schwab as a result of these arrangements. Advisor has no corresponding commitment to Charles Schwab or any other entity, including but not limited to, Dimensional Fund Advisors to invest any specific amount or percentage of Client assets in any specific mutual funds, securities or other particular investment products as result of above arrangements.

B. Advisor does not receive Client referrals from non-supervised persons for compensation at present, but may make such arrangements to pay compensation to such persons in the future.

The Advisor's Chief Compliance Officer, Paul Byron Hill, remains available to address any questions that a Client or prospective Client may have regarding the above arrangements and any corresponding perceived conflict of interest any such arrangements may create.

Item 15/Custody

Advisor has the ability to have its advisory fee for each Client debited periodically by broker-dealer/custodians. This is done only for those Clients who do not pay for advisory services directly after their quarterly billings. Deducting fees from Client accounts through a detailed procedure supervised by the broker-dealer/custodian is the sole extent of Advisor custody of Client assets. Broker-dealer/custodians do not verify the accuracy of Advisor's advisory fee calculations.

Clients are provided with periodic written summary account statements and written transaction confirmation notices directly from their broker-dealer/custodian (monthly and by internet access), account provider (for annuities and 529 plans), and/or employer retirement plan sponsor (generally by internet access). Advisor also provides Clients its own separate written periodic report summarizing in detail aggregate account allocations, aggregate account performance, and aggregate account transaction activity. *The Client is urged to compare any statement or report provided by the Advisor with the account statements received from the broker-dealer/custodian or other account provider.*

Item 16/Investment Discretion

Advisor provides investment advisory services on a discretionary basis. This discretion is specifically limited by the terms and any limitations of the Client's investment policy statement or related agreements. Non-discretionary advisory services may be available for certain Clients.

Item 17/Voting Client Securities

A. The Advisor does not vote Client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the Client's investment assets.

B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Advisor to discuss any questions they may have with a particular solicitation.

Item 18/Financial Information

A. The Advisor does not solicit fees of more than $1,200, per Client, six months or more in advance.

B. As per *Item 16*, the Advisor offers investment advisory services on both a discretionary and a non-discretionary basis, but has no financial information that would impact discretionary advisory services.

C. The Advisor has not been the subject of a bankruptcy petition.

Item 19/State-Registered Advisers

A. This section does not apply to investment advisers registered with the SEC.

ANY QUESTIONS: Professional Financial's Chief Compliance Officer, Paul Byron Hill, CFP, remains available to address any questions regarding this part 2A.

Professional Financial

Integrative Wealth Management ▪ Clarity. Commitment. Confidence.

Professional Financial Strategies, Inc.

SEC File Number: 801-107130

IARD/CRD File Number: 125580

Firm Supplement

Form ADV, Part 2B

Dated January 31, 2017

Paul Byron Hill

Chief Compliance Officer

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P. O. Box 999

Pittsford, NY 14534

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This brochure provides information about the qualifications and business practices of Professional Financial Strategies, Inc. (the "Advisor"). If you have any questions about the contents of this brochure, please contact us at (585) 218-9080 or paulhill@professionalfinancial.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. References herein to Advisor as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Additional information about Advisor is available on the SEC's website at www.adviserinfo.sec.gov.

Item 1/Cover Page

Professional Financial Strategies, Inc.

Firm Supplement

Dated January 31, 2017

Paul Byron Hill

This brochure supplement provides information about Paul Byron Hill that supplements the Professional Financial Strategies, Inc. brochure. You should have received a copy of that brochure. Please contact Paul Byron Hill, *Chief Compliance Officer* if you did not receive Professional Financial Strategies' brochure or if you have any questions about the contents of this supplement.

Additional information about Paul Byron Hill is available on the SEC's website at www.adviserinfo.sec.gov.

Contact: Paul Byron Hill, *Chief Compliance Officer*
1159 Pittsford-Victor Road, Suite 120
Pittsford, New York, 14534

Item 2/**Education Background and Business Experience**

Paul Byron Hill was born in 1952. Mr. Hill has been President and *Chief Compliance Officer* of Professional Financial Strategies, Inc., a registered investment adviser, since 1993. Mr. Hill graduated from the University of Rochester with a degree in English with Distinction. Education related to the practice of personal financial planning includes: MBA (Finance) from the Simon Business School at the University of Rochester (NY); an MS in Financial Services from the American College (PA); and a MS in Financial Planning from The College for Financial Planning, now part of the University of Phoenix (AZ).

Mr. Hill has been a CERTIFIED FINANCIAL PLANNER™ since 1983. The CERTIFIED FINANCIAL PLANNER™,CFP® and federally registered CFP (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

For the right to use CFP® marks, practitioners must satisfactorily fulfill certain requirements:
Education – Complete an advanced college-level course of study deemed necessary and approved by the CFP Board for competent and professional of financial planning services
Examination – Pass the comprehensive CFP® Certification Examination, designed to test one's ability to diagnose financial planning issues and apply one's knowledge.
Experience – Complete at least three years of full-time financial planning-related experience and
Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

This requires that CFP® professionals provide financial planning services at a fiduciary standard of care, and must provide financial planning services in the best interests of their clients. CFP® professionals who fail to comply may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Mr. Hill holds a Chartered Financial Consultant (ChFC®) designation since 1983. ChFC® is a financial planning designation for the financial services industry conferred by The American College. Candidates must meet education, experience, examination, and ethical requirements. Candidates must have at least three years of experience in the financial industry, or an undergraduate or graduate degree from an accredited university and two years of experience in the financial services industry. Candidates must take nine academic courses each followed by an exam. Courses and exams cover topics in finance, investing, insurance, and estate planning, with ongoing continuing education and ethics requirements.

Item 3/**Disciplinary Information**

None.

Item 4/**Other Business Activities**

A. The supervised person is not actively engaged in any other investment-related business, occupation or activity not related to financial planning or wealth management.

B. The supervised person is not actively engaged in any other non-investment-related business or occupation.

Item 5/**Additional Compensation**

None, other than as a shareholder of Professional Financial Strategies, Inc

Item 6/**Supervision**

Professional Financial Strategies, Inc. provides investment advisory and supervisory services in accordance with SEC and state regulatory requirements. As Professional Financial Strategies's *Chief Compliance Officer*, Paul Byron Hill is primarily responsible for overseeing the activities of the Professional Financial Strategies's supervised persons.

Mr. Hill also monitors client accounts and conducts client account reviews on at least an annual basis. Should a client have any questions regarding Professional Financial Strategies's supervision or compliance practices, please contact Mr. Hill at (585) 218-9292.

Item 1/Cover Page

Professional Financial Strategies, Inc.

Firm Supplement

Dated January 31, 2017

Kam-Lin Kok Hill

This brochure supplement provides information about Kam-lin K. Hill that supplements the Professional Financial Strategies, Inc. brochure. You should have received a copy of that brochure. You may also contact the *Chief Compliance Officer* if you did *not* receive Professional Financial Strategies' brochure or if you have any questions about the contents of this supplement.

Additional information about Kam-Lin K. Hill is available on the SEC's website at www.adviserinfo.sec.gov. Contact: Paul Byron Hill, *Chief Compliance Officer*, 1159 Pittsford-Victor Road, Suite 120, Pittsford, New York, 14534

Item 2/Education Background and Business Experience

Kam-lin K. Hill was born in 1961. Ms. Hill received her MBA from The University of Hull, UK. Ms. Hill has been employed as a Vice President for operations and a wealth consultant of Professional Financial Strategies, Inc. since June of 2001. Ms. Hill also serves as Managing Director of Professional Financial Solutions, LLC, a financial services consulting firm, since January of 2003.

Ms. Hill has been a CERTIFIED FINANCIAL PLANNER™ since 2005. The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP are professional certification marks granted by Certified Financial Planner Board of Standards, Inc. The CFP® certification is a voluntary certification. It is recognized for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

For the right to use CFP® marks, practitioners must fulfill certain requirements: **Education** – Complete an advanced college-level course of study and approved by the CFP Board for professional financial planning services. **Examination** – Pass the comprehensive CFP® Certification Examination, designed to test one's ability to diagnose financial planning issues and apply one's knowledge of financial planning; **Experience** – Complete at least three years of full-time financial planning-related experience and **Ethics** – Agree to be bound by CFP Board's Standards of Professional Conduct.

Certified practitioners must complete 30 hours of continuing education hours every two years and be bound by the Standards of Professional Conduct. CFP® professionals who fail to comply may be subject to CFP Board's enforcement process.

Ms. Hill holds a Chartered Financial Consultant (ChFC®) designation since 2004. ChFC® is a financial planning designation for the financial services industry conferred by The American College. Candidates must meet education, experience, examination, and ethical requirements. Candidates must have at least three years of experience in the financial industry, or an undergraduate or graduate degree from an accredited university and two years of experience in the financial services industry. Candidates must take nine academic courses each followed by an exam. Courses and exams cover topics in finance, investing, insurance, and estate planning, with ongoing continuing education and ethics requirements.

Ms. Hill holds the Chartered Global Management Accountant (CGMA) designation and became a Fellow of the Chartered Institute of Management Accountants (FCMA) in January, 1997. The designations identify individuals who have completed stringent accounting examinations, education, experience and ethics requirements mandated by the Chartered Institute of Management Accountants Board, which has Royal Chartered status in the United Kingdom. Candidates for fellowship must have at least three years of relevant Practical Experience Requirements (PER) that relates to management accounting at a senior level. CGMA candidates must pass nine examinations on management accounting, decision making, risk and control, information systems, integrated management, business strategy, financial accounting and tax, financial analysis and financial strategy. CGMAs are regulated by the CIMA Board and are recognized by the American Institute of Certified Public Accountants (AICPA).

Item 3/Disciplinary Information

None.

Item 4/Other Business Activities

A. The supervised person is not actively engaged in any other investment-related businesses or occupations, other financial planning and income tax preparation for clients of the firm.

B. **Licensed Insurance Agents**. Ms. Hill is a licensed insurance agent, and may recommend purchase of insurance and annuity products for a commission. Ms. Hill occasionally sells insurance products, and continues to receive service fees from prior sales. **Conflict of Interest:** Recommendations that a client purchase a financial product other than for TIAA for commissions presents a *material conflict of interest*, as the receipt of commissions may provide an incentive to recommend products based on commissions received, rather than on a particular client's need or best interest. Most clients are referred to non-affiliated insurance agents that participate in Advisor's professional network, and do not pay a commission.

Professional Financial Strategies's *Chief Compliance Officer*, Paul Byron Hill, remains available to address any questions that a client or prospective client may have regarding the above potential conflict of interest.

Item 5/Additional Compensation

None.

Item 6/Supervision

Professional Financial Strategies, Inc. provides investment advisory and supervisory services in accordance with SEC and state regulatory requirements. Professional Financial Strategies's *Chief Compliance Officer*, Paul Byron Hill, is primarily responsible for overseeing the activities of the Professional Financial Strategies's supervised persons. Mr. Hill also monitors client accounts and conducts client account reviews on at least an annual basis. Should a client have any questions regarding Professional Financial Strategies's supervision or compliance practices, please contact Mr. Hill at (585) 218-9292.

Item 1/Cover Page

Professional Financial Strategies, Inc.

Firm Supplement

Dated January 31, 2017

Peter C. Van Der Voorn

This brochure supplement provides information about Peter C. Van Der Voorn that supplements the Professional Financial Strategies, Inc. brochure. You should have received a copy of that brochure. Please contact Paul Byron Hill, *Chief Compliance Officer* if you did *not* receive Professional Financial Strategies' brochure or if you have any questions about the contents of this supplement.

Additional information about Peter C. Van Der Voorn is available on the SEC's website at www.adviserinfo.sec.gov.

Contact: Paul Byron Hill, *Chief Compliance Officer*
1159 Pittsford-Victor Road, Suite 120
Pittsford, New York, 14534

Item 2/Education Background and Business Experience

Peter C. Van Der Voorn was born in 1940. Mr. Van Der Voorn graduated from Wichita State University with a degree in Chemistry. Mr. Van Der Voorn earned his PhD in Chemistry from The University of Illinois, Champaign-Urbana. Mr. Van Der Voorn has been employed as a wealth consultant of Professional Financial Strategies, Inc. since July of 2000. Mr. Van Der Voorn is employed part-time by H&R Block for income tax preparation.

Mr. Van Der Voorn has been a CERTIFIED FINANCIAL PLANNER™ since 2001. The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

For the right to use CFP® marks, practitioners must satisfactorily fulfill certain requirements:

Education – Complete an advanced college-level course of study deemed necessary and approved by the CFP Board for competent and professional of financial planning services.

Examination – Pass the comprehensive CFP® Certification Examination, designed to test one's ability to diagnose financial planning issues and apply one's knowledge.

Experience – Complete at least three years of full-time financial planning-related experience and

Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Certified practitioners must complete the following ongoing education and ethics requirements in order to maintain the right to continue use of the CFP® marks:

Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with financial planning developments; and

Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. This requires that CFP® professionals provide financial planning services at a fiduciary standard of care, and must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Item 3/Disciplinary Information

None.

Item 4/Other Business Activities

A. The supervised person is not actively engaged in any other investment-related businesses or occupations not related to financial planning other than income tax preparation.

B. The supervised person is seasonally engaged in a non-investment-related business or occupation for compensation with H & R Block as a personal income tax preparer.

Item 5/Additional Compensation

None.

Item 6/Supervision

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Mr. Hill also monitors client accounts and conducts client account reviews on at least an annual basis. Should a client have any questions regarding Professional Financial Strategies's supervision or compliance practices, please contact Mr. Hill at (585) 218-9292.