

Professional Financial Strategies, Inc.

Form CRS – Client Relationship Summary

Item 1: Introduction

Professional Financial Strategies, Inc. (“Advisor”, “we”, “our”, or “us”) is registered with the Securities Exchange Commission (“SEC”) as an investment adviser. Our services and compensation structure differ from a registered broker-dealer, and it is important for you to understand the differences between those structures. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about investment advisers, broker-dealers, and investing. The italicized sentences appearing in text boxes below are intended to be “conversation starters” for you to have with us, as required by the instructions to Form CRS.

Item 2: Relationships and Services – What investment services and advice can you provide me?

We provide professional wealth management services on an assets under management fee basis, to individuals, high net worth individuals, families, retirement plans, family trusts, estates and charitable trusts (our “clients” or “retail investors”). Advisor specializes in personal financial planning in the form of wealth consulting services for retirement and legacy planning. Personal consultations for advanced planning target five potential areas: retirement planning, tax planning, protection planning, legacy planning, and charitable planning. Advisor provides wealth planning consulting services at three levels.

The type of services the client will receive and the fees they will pay will depend upon the level of service agreed upon. Advisor may provide financial planning, retirement planning, advanced planning and/or related services but only to the extent a client requests. Neither Advisor nor its investment adviser representatives assist clients beyond presenting planning recommendations to proceed with implementation of any planning recommendations unless both have mutually agreed to do so in writing. Advisor does not continuously monitor a client’s financial or wealth planning, only investment management. Advisor may recommend specialists from a select network for their non-investment services. The client is not obligated to engage services from those professionals. Client retains absolute discretion over the terms of any proposed engagement and is free to accept or reject any recommendation made by a select network professional.

Investment management is the core of Advisor’s wealth planning services. The Advisor provides discretionary investment advice limited to certain types of accounts and securities. There are four levels of investment management that may include corresponding levels of incidental wealth planning consulting services integrated with each. As part of its investment advisory services, Advisor will review client portfolios on an ongoing basis to determine if any changes are necessary. Advisor may recommend certain client assets be apportioned among unaffiliated independent

investment managers for separate accounts. For such assets, the Independent Investment Manager(s) shall have day-to-day responsibility for discretionary management. Advisor shall render investment advisory services relative to ongoing monitoring and review of account performance, factor consistency and investment policy strategy as well as tax impact.

Clients may, at any time impose restrictions or limitations, in writing, either regarding investing in certain securities or restricting sales of certain securities. No client is under any obligation to rollover retirement plan assets to an account we manage. Advisor may offer non-discretionary advisory services under limited circumstances. For more detailed information about our advisory business and the types of clients we service, please see Items 4 and 7, respectively in our [Form ADV Part 2A](#).

CONVERSATION STARTER:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications?*
- *What do these qualifications mean?*

Item 3: Fees, Costs, Conflicts, and Standard of Conduct – What fees will I pay?

Advisor is primarily compensated by fees for asset management and financial consulting. The Advisor’s fee schedule has both fixed and variable components. The total client household fee will increase in excess of base fee per Advisor’s fee schedules. The fee for investment management services may incorporate part or all of a wealth planning consulting fee but solely at Advisor’s discretion. Where the investment management fee has been adjusted downward (often after two years of engagement), wealth planning consulting may be limited or not provided at all. Independent Investment Managers will separately charge an investment advisory fee and the Advisor’s standard fee schedule will be partly offset by those fees. Fees occasionally may be offset by payments to related parties for financial instrument reimbursements due to implementation.

The minimum Wealth Planning & Consulting (WPC) fee for a comprehensive financial or retirement plan (using CFP Board standards) is \$10,000 payable in two installments, the first being a retainer for the relationship. Retirement Stress Testing fee is \$5,000 and is allowed toward the WPC. The minimum fee for Phases 1 through 5 of the professional wealth planning process as previously described is \$10,000 inclusive of previous charges. For situations where an hourly engagement is necessary, the hourly charges may range generally between \$125 to \$500 in addition to

any flat fee arrangements. For investment management services, clients generally will be charged between a \$1,250 to \$5,000 quarterly fee based on level of service which will increase as the aggregate total of assets under advisement increases. Additionally, Advisor's fee (between 0.20% and 1.50%) is calculated as an annual percentage (%) of the market value and location of assets placed under management supervision. Fees between \$100,000 up to \$1 million *may be reduced up to 20 bps annually at the Advisor's discretion* but subject to Advisor fee minimum levels. Advisor's annual management investment advisory fee shall be prorated and paid quarterly, in advance, based upon quarterly beginning account balances.

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. Clients subject to an annual minimum fee may pay a percentage fee effectively higher than the annual fee percentage referenced in the Investment Management fee schedules. The minimum fee for arranging implementation of single premium income annuities, deferred income annuities and permanent life insurance regardless of amount is \$5,000. That consulting fee may be substantially greater due to additional time and effort, but such fees can be offset by reimbursement fees paid to a related party of Advisor with client consent. For more detailed information about our investment advisory and other fees and expenses and account minimum fees, please see Item 5 in our [Form ADV Part 2A](#).

CONVERSATION STARTER:

- *Help me understand how these fees and costs might affect my investments.*
- *If I give you \$1,000,000 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 we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the investment advice we provide you. Below is one example to help you understand what this means:

- Advisor may recommend that a client roll over their retirement plan assets into an account we manage. Such a recommendation creates a conflict of interest if we were to earn new or increased compensation as a result of the rollover.
- We could earn a higher fee for management of equity or

balanced account strategies. This presents a conflict of interest since we would have an economic incentive to allocate more assets to equity securities rather than to income annuities to earn more compensation over the long-term. We will allocate assets consistent with your designated investment objective. For more detailed information about our conflicts of interest, please review Item 4, 5, 8, 10, 11, 12 and 14 of [Form ADV Part 2A](#).

CONVERSATION STARTER:

- *How might your conflicts of interest affect me, and how will you address them?*

How do your financial professionals make money?

Our financial professionals are compensated on a salary basis and may be eligible to receive discretionary bonuses. Neither Advisor nor its representatives accept compensation (commissions) from the sale of securities or other investment related products for performing investment advisory services. As stated in ADV Part 2A Item 5(A), related persons will receive reimbursements for insurance product implementation eligible to offset Wealth Planning and Consulting fees otherwise due where such products are in their best interest compared to insurance products that pay no commissions. You should discuss your financial professional's compensation directly with that financial professional.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history? No.

We encourage you to visit www.investor.gov/CRS to research our firm and our financial professionals. Furthermore, we encourage you to ask your current financial professional: "As a financial professional, do you have any disciplinary history? If so, for what type of conduct?"

Item 5 – Additional Information

Additional information about our firm is available on the SEC's website at www.adviserinfo.sec.gov. You may contact our Chief Compliance Officer, Paul Byron Hill, at any time to request a current copy of our [Form ADV Part 2A](#) or our relationship summary. Our Chief Compliance Officer may be reached by phone at (585) 218-9080.

CONVERSATION STARTERS:

- *Who is my primary contact person?*
- *Is he or 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?*

A complete copy of our current Disclosure Brochure (Form Part 2A and B) is located at https://www.professionalfinancial.com/pfs/wp-content/uploads/2021/03/2125_ADV_2A_2B.pdf

Dated March 30, 2021