

Planners Financial Services, Inc.

7710 Computer Avenue, Suite 100

Minneapolis, MN 55435

(952) 835-9000

www.plannersfinancialservices.com

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Firm Brochure (Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Planners Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at (952) 835-9000 or pfscli@usinternet.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.

Planners Financial Services, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information which you can use to decide whether or not to hire or retain an Adviser.

Additional information about Planners Financial Services, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting us at 952-835-9000 or pfscli@usinternet.com. Our brochure is available free of charge on our web site www.plannersfinancialservices.com.

Additional information about Planners Financial Services (PFS) is available via the SEC's web site www.advisorinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with PFS who are registered, or are required to be registered, as investment adviser representatives of PFS.

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Item 4 – Advisory Business

Planners Financial Services (PFS) is federally registered with the Securities and Exchange Commission (SEC) as a Registered Investment Adviser offering a variety of services through its Investment Adviser Representatives (IARs). PFS was founded in 1972. PFS provides research, education, support and various Client reports to its IARs. We are professional providers of financial services working to improve the investment results for our Clients while attempting to limit their costs, in contrast to what our Clients could do for themselves. PFS monitors and reports on approximately 800 mutual funds, ETFs, equities and other securities on a weekly basis.

Each IAR conducts their business under their own trade name and does their own analysis of the needs and solutions required for the Client. All work is performed in accordance with the terms of a PFS written agreement detailing the objectives, obligations and fees for the parties. All billings are done by PFS.

The firm's compensation under the Agreement is solely from fees paid directly by Clients. All fees are negotiable. The written Agreements provide for termination at any time upon written notice from the Client. All unearned fees will be refunded upon the Client's written request. PFS receives no benefits from custodians or broker/dealers based on Client security transactions through Charles Schwab & Co. These relationships are commonly referred to as soft-dollar arrangements. Investment in shares of mutual funds or other securities may be subject to additional advisory and other fees and expenses that are paid by the securities themselves, but ultimately are born by the Investor.

We may recommend other professionals such as lawyers, accountants, insurance agents, real estate agents, etc., at the request of a Client. Other professionals are engaged directly by the Client, not PFS, on an as-needed basis even when recommended by PFS. Conflicts of interest will be disclosed to the Client and managed in the best interests of the Client.

All Clients undergo an analysis of their investment objectives, investment experience, investment time horizon and risk tolerance. We cannot guarantee the future performance of your account, promise any specific level of performance or promise that our investment decisions, strategies or overall management of the Client's account will be successful. The investment decisions that we will make for you are subject to various market conditions, currency risks, economic cycles, political situations and business risks and will not necessarily be profitable.

BUSINESS CONTINUITY

Significant business disruptions can vary in their scope. A significant business disruption could affect only our firm, the single building housing our firm, the business district where our firm is located, the city where we are located or the whole region. Within each of these areas, the severity of the disruption could also vary from minimal to severe. In a disruption to only our firm or building housing our firm, we will transfer our operations to a local site, and we expect to recover and resume business within 6 business hours.

In a disruption affecting our business district, city or region, we will transfer our operations to a site outside of the affected area, and we expect to recover and resume business within 72 hours. In either situation, we plan to continue in business, transfer operations to mutual fund companies or brokerage firms if necessary, and notify you through our Client emergency number, (612) 414-8151, how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our Client's prompt access to their funds and securities.

If telephone service is available, our registered persons will take Client orders or instructions and contact the individual mutual fund companies and brokerage firms on their behalf, after first receiving approval of the transaction from a Principal.

INVESTMENT PORTFOLIO MANAGEMENT

Certain IARs and PFS specialize in constructing and managing investment portfolios on a discretionary basis that utilize a variety of securities including No Load and Load Waived Open End Mutual Funds, individual equities and bonds, Equity REITs, Closed End Funds, Royalty Trusts, Equity REITs, Certificates of Deposit, Money Market Funds, Exchange Traded Notes and Exchange Traded Funds. PFS initiates and performs all trades. The Client receives notification of the transaction after it has been completed. Implementation of the investment strategies is accomplished with a Limited Power of Attorney for trading within the Client's segregated brokerage account which is held by an independent third party professional custodian.

Investment Portfolio Management accounts are actively managed. All Client accounts are held by Charles Schwab Institutional Services of San Francisco, Phoenix and Orlando. Schwab is a prominent discount brokerage firm and asset custodian. The Client gives PFS a Limited Power of Attorney to buy and sell at our discretion in the accounts. Schwab confirms all transactions directly to the Client with a copy to PFS following the completion of the transaction. Schwab sends monthly statements directly to the Client with a copy sent to PFS. Annually, Schwab will send an IRS form 1099 directly to the Client for each account with a copy to PFS.

The objectives, time frame, risk tolerance level and relationship of the managed portfolio to the total assets of the Client are summarized in a written Statement of Investment Policy (SIP) developed in consultation with the Client. This SIP can include restrictions on investments and strategies that the Investor does not want PFS to utilize. When all parties agree on the proper statement of the Client's wishes and parameters, all will sign the SIP with a copy given to each. The SIP can only be changed in writing. The SIP assures each party that PFS heard correctly what the Client thinks they said and clarifies in writing our instructions and parameters.

PFS and the IAR will monitor the performance and tenure of the various fund managers and furnish the Client with quarterly written reports detailing the portfolio assets and the financial results. Clients may request that the IAR advise on assets custodied outside of Schwab. Assets covered in such a situation may be included in the quarterly billing as agreed to by the Client. The Client will be responsible for communicating asset values to the IAR and PFS. PFS will not report on the performance of accounts held outside of Schwab.

INVESTMENT PORTFOLIO DESIGN

The IAR and PFS can develop an Investment Portfolio for a coordinated and integrated portfolio using a variety of securities. Among the factors that will be considered are the Client's age, objectives and risk level desired, personal debt to equity ratio, risk structure of equity and debt portfolios, historical 1, 5, and 10 year compounded average annual total returns, current yield, risk adjusted rate of return (Alpha), volatility (Beta or Standard Deviation), Security Correlation Coefficient, Expense Ratio, Portfolio Manager Tenure, Qualifications and Professional History and other techniques.

In designing Client portfolios, PFS primarily uses Load and No Load Open End Mutual Funds. PFS may, however, recommend other types of securities that carry a sales commission charged by a broker-dealer where appropriate. The Design may be implemented by the Client directly with the securities recommended or through any other Financial Industry Regulatory Authority investment brokerage firm. Any commissions received by PFS from the implementation of the Design will be deducted from the portfolio design fee.

FINANCIAL PLANNING

PFS and the IAR will charge a mutually agreed upon fee under a detailed contract for Financial Planning based on the services requested, the skill of the Financial Planner, the complexity of the problem and the time required. Hourly rates can range from \$125 to \$250 per hour. All fees are negotiable and will be detailed in the contract.

Services can include the review and formulation of personal financial goals and objectives, budgeting and expense management. We call it “bringing the future back to today, while you can still do something about it”. Services can also include review of the current estate of the Client with attention to asset conservation, capital needs, liquidity and estate/gift tax minimization. PFS does not draft wills, give legal advice or prepare tax returns, but PFS does assist the Client in understanding these areas and in the structuring of plans to achieve the Client’s personal goals and objectives. We will work with Clients regarding their estate, social security benefits, insurance policies, disability income, property and casualty and other insurance related matters.

With regards to insurance, PFS is licensed as an insurance agency with several states. Within the context of financial planning, an IAR may recommend certain types of insurance. The IAR will generally be licensed to sell insurance. The Client may choose to use the IAR as the agent or use someone completely independent of PFS. If the Client decides to use the IAR as the agent, the IAR will most likely receive a commission from the sale of the insurance product. The commission from the insurance will **not** reduce the PFS fee related to financial planning work done on the Client’s behalf.

Services can also include income tax analysis and projecting alternative tax liabilities. Investments are reviewed as they impact the individual’s tax situation. Tax planning recommendations are made including methods to minimize tax liabilities on both a state and federal level. A conflict can exist between the interests of the IAR and PFS and the interests of the Client. This can occur when the IAR is recommending financial or insurance products bearing a commission cost. Full disclosure is necessary and questions are encouraged.

Often an outside professional with a trained eye can be useful in reviewing investment objectives, strategies and products. Existing relationships can be encumbered with personalities, commission dollars and sometimes just a lack of sufficient training and experience. Outside evaluation can serve to confirm as well as to identify weaknesses. Financial assets are too difficult to acquire to risk on the advice of only one source. PFS and its IARs represent both long-term experience as well as a depth of research and knowledge. Fees are established on the same basis as Financial Planning and are negotiable.

PFS recommends at least an annual update and review for all Clients. PFS offers quarterly opportunities to Clients to meet and discuss their portfolio and personal financial condition. PFS and its IARs may discuss with and advise a Client regarding any security not covered by a PFS Contract. The ultimate decision and responsibility regarding the security remains with the Client.

INVESTMENT PORTFOLIO MONITORING

Investment Portfolio Monitoring is a “buy-hold and monitor closely” strategy to make sure that “someone is watching the store”. We follow security performance weekly and furnish the Client with quarterly written reports updating the Client on the progress and comparative values of the portfolio utilizing various averages and indexes.

We do not engage in market timing. We monitor asset and sector allocation, portfolio manager duration and financial results compared to like-type securities. We will recommend changes when appropriate for that specific Client. Clients do not have to use PFS as the broker-dealer or Charles Schwab as the custodian for portfolio monitoring. Any commissions received by PFS as part of portfolio monitoring will be used to offset the quarterly fee. The Client will be responsible for communicating asset values to PFS and the IAR for any asset either not custodied at Schwab or using PFS as the broker-dealer.

PFS through its IARs, provides investment advice and appropriate investment products and services using these other business names: Tarara Asset Management; Kaye Financial Services; Larsen Financial Services; Lenander Financial Advisory, Inc., Franchett Financial Services and The Kessler Financial Group. Stock ownership of PFS is Donald L. McCoy at 60% and Victoria Keating at 40%. There are no intermediate subsidiaries.

As of December 31, 2011, PFS managed approximately \$109,544,816 in assets for about 850 accounts. Approximately \$108,078,660 is managed on a discretionary basis and \$1,466,156 is managed on a non-discretionary basis.

Item 5 - Fees and Compensation

The specific manner in which fees are charged by PFS is established in a Client's written agreement with PFS. PFS will bill its fees on a quarterly basis in advance. Clients may elect to be billed directly for fees or to authorize PFS to directly debit fees from Client accounts. Management fees may be prorated for each capital contribution made during the applicable calendar quarter. Accounts initiated during a calendar quarter may be charged a prorated fee based on the amount of time remaining in the current quarter. Upon termination of any account, any prepaid or unearned fees will be refunded upon the Client's written request, and any earned, unpaid fees will be due and payable. The unearned fee to be refunded to the Client will be based on the number of days remaining in the billing period. All PFS Contracts are cancelable on 24 hour written notice. All PFS contracts are cancelable upon receipt by PFS of the Client's written request. PFS does not charge a cancellation fee.

PFS bases its fees for Investment Portfolio Management on the total amount of assets managed. On a quarterly basis the fee generally ranges from 40 to 30 basis points for the first \$500,000, 30 to 25 basis points up to \$1,000,000, 25 to 22.5 basis points up to \$2,500,000 and 22.5 to 12.5 basis points for over \$2,500,000. There is a \$500 minimum quarterly fee. All fees are subject to negotiation.

PFS primarily uses no-load or load-waived mutual funds. Other securities used such as ETFs and individual equities may carry a fee or commission payable by the Client. Neither PFS nor the IAR will receive any part of the commissions or other fees charged by Schwab, or any compensation from any other source for accounts at Schwab. PFS will receive only the asset management fee charged to the Client. Any Charles Schwab Institutional Services transaction fees are deducted from the Client's account by Schwab.

Fees for Investment Portfolio Monitoring are based on the gross amount monitored. On a quarterly basis the fee ranges from 40 to 30 basis points for the first \$500,000, 30 to 25 basis points up to \$1,000,000, 25 to 22.5 basis points up to \$2,500,000 and 22.5 to 12.5 basis points for over \$2,500,000. There is a \$500 minimum quarterly fee. All fees are subject to negotiation. If any commission funds are utilized, any money received by PFS will be deducted from the fee. The sale of commission based security products may present a conflict of interest between the Client and the IAR. PFS believes that offsetting the fee by the amount of the commission helps to minimize this potential conflict of interest.

The fee for Investment Portfolio Design will be a one-time 3% for the first \$250,000, 2.75% for the next \$250,000, and 1.75% for the next \$500,000. As noted, PFS deducts any commissions received as a result of the transaction from the fee. All fees are subject to negotiation. Fees for Financial Planning range from \$125 to \$250 per hour and are negotiable.

Item 6 – Performance-Based Fees and Side-By-Side Management

PFS does not use any performance-based fee-structure, i.e. fees based on a share of capital gains on or capital appreciation of the assets of a Client. The nature of asset-based fees allows PFS to participate in the growth of the Client's wealth. Our fees can decline when the Client's portfolio declines in value.

Item 7 – Types of Clients

PFS generally provides portfolio management services to individuals, families, trusts, estates, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, municipalities, and other U.S. and international institutions. Client relationships vary in scope and length of service. PFS does not impose a minimum dollar value of assets or other conditions for opening or maintaining an account.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investing in securities involves risk of loss that a Client should be prepared to bear.

Our primary investment strategy is to allocate Client money across economic sectors and asset classes using a variety of types of securities. We may use actively managed mutual funds, passively managed mutual funds, exchange traded funds, exchange traded notes, individual equities, individual bonds, closed-end funds, royalty trusts, equity real estate investment trusts, publically traded limited partnerships, US government and agency obligations, money market funds and FDIC insured bank certificates of deposit. Our investment approach recognizes the risk of loss and seeks to minimize risk of loss through security diversification across the globe, asset classes, economic sectors and market capitalization.

PFS both purchases and creates large volumes of research which is used for the benefit of all Clients. We are a financial information factory. PFS tracks data weekly for its IARs on about 800 mutual funds, ETFs, stocks and other securities. The reports rank securities by their four-week total returns and includes each security's performance over one week, the year to date, over twelve weeks, fifty-two weeks, three years, five years and ten years on a rolling basis. We use a variety of sources for our research including Morningstar, Thomson Financial, fund prospectuses, annual reports, stock analyst reports, financial newspapers and magazines and research materials prepared by others.

The IAR and PFS may have a limited Power of Attorney given by the Client under a signed PFS Investment Portfolio Management Contract to buy and sell assets in various accounts in the Client's portfolio without specific Client consent. In making these buy and sell decisions, the IARs and PFS will follow the guidelines established by the Client in the Agreement and in the Statement of Investment Policy (SIP). This SIP may even include instructions to not purchase certain types of assets such as investments concentrating in gold, energy, real estate, etc.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of PFS or the integrity of the firm's management. The firm and its employees and its affiliated advisers have not been involved in any legal or disciplinary events related to past or present activities.

Item 10 – Other Financial Industry Activities and Affiliations

The principal business of PFS is to its Investment Adviser Representatives in providing investment advice and appropriate investment products and services to their Clients. For this purpose, PFS is both a SEC Registered Investment Adviser and a Securities Broker/Dealer. PFS is a Financial Industry Regulatory Authority (FINRA) member Broker/Dealer handling securities and is a member of the Securities Investor Protection Corporation (SIPC).

Representatives of the firm are individual practitioners of financial planning who can also be licensed in other areas such as insurance (life, health, accident, casualty and fire), annuities, 529 Plans, etc. PFS spends approximately 25% of its corporate time in financial planning, 25% as a securities brokerage firm and 50% in research and investment advisory work.

PFS has a licensed independent agency relationship with various insurance companies in several states. PFS is not a General Agent for any company, nor does PFS accept compensation in any form beyond the normal and customary commissions. The IARs may or may not have other relationships and sources of income as independent contractors.

PFS has no arrangements, whether oral or in writing, where PFS receives cash or some other economic benefit; including commissions, equipment or non-research services from a non-Client in connection with giving advice to Clients.

Item 11 – Code of Ethics

PFS has adopted a Code of Ethics for all supervised persons of the firm describing its standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at PFS must acknowledge the terms of the Code of Ethics annually or as amended.

PFS anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will cause accounts over which PFS has management authority to effect, and will recommend to investment advisory Clients or prospective Clients, the purchase or sale of securities in which PFS, its affiliates and/or Clients, directly or indirectly, have a position of interest. Employees of PFS and persons associated with PFS are required to follow its Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of PFS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of PFS will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that they would not materially interfere with the best interests of a Client. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as Clients, there is a possibility that employees might benefit from market activity by a Client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics. A full review is performed each quarter to reasonably prevent conflicts of interest between PFS and its Clients.

Certain affiliated accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with PFS's obligation of best execution. In such circumstances, the affiliated and Client accounts will receive securities at a total average price. PFS will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

It is firm policy that PFS will not affect any principal or agency cross securities transactions for Client accounts. PFS will also not cross trades between Client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory Client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another Client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, acts as broker for both the advisory Client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

A complete copy of the PFS Code of Ethics, Personal Trading Policy and Trade Error Corrections Policy is available upon request. PFS, its IARs and employees all have a duty of good faith to act solely in the best interests of each Client. The interests of each Client will be placed ahead of the interests of the firm, its IARs and employees. We will exercise diligence and care in maintaining and protecting our Client's nonpublic, confidential information. We will conduct ourselves with integrity and avoid any actual or perceived conflict with our Clients. IARs and employees will provide duplicate trade confirmations and account statements for personal accounts directly to PFS. Any violation of this Code of Ethics and Personal Trading Policy must be reported to PFS. All IARs and employees are bound by SEC regulations regarding material nonpublic information. It is the policy and intention of PFS that all associated with PFS shall comply in every respect with the Insider Trading Act.

Item 12 – Brokerage Practices

PFS utilizes the services of Charles Schwab Institutional Division to serve as custodian for the assets of our Investment Portfolio Management Clients. Schwab holds each account separately in the Client's name. PFS will place securities transactions for execution with Schwab on behalf of the Client. PFS and its IARs understand their fiduciary duty to obtain the best execution possible for our Clients. Consistent with our fiduciary obligations, PFS seeks best execution in all transactions. We define best execution as the best price we believe we may obtain for a specific trade in light of all relevant circumstances.

PFS believes Schwab provides among the best mutual fund and security execution and quality of service. Although Schwab is a discount broker, it is not the cheapest of all. The execution, electronic communication and general information provided by Schwab enables PFS to provide superior Portfolio Management to the Client. It is believed by PFS that our Clients pay lower transaction fees than Schwab's non-adviser accounts. PFS does not receive any portion of any trading fees. PFS performs an annual review of its best execution responsibilities.

There are other Investment Advisers that charge more than PFS and its IARs and those that charge less for comparable services. We will never be the cheapest in anything, nor will we likely ever have the largest returns. We respect and endeavor to manage Risk. We aspire to be the best at what we do.

Item 13 – Review of Accounts

PFS makes available to the IARs the positions and values of their Client portfolios on a daily basis. All IARs follow the financial markets daily and the individual securities at least weekly. PFS and/or the IAR will conduct a formal review of each account at a minimum of once per quarter and more frequently should conditions warrant. PFS and/or the IAR will also review a Client's account prior to meeting with the Client. All IARs will attempt to personally review with each Client their portfolio on a regular basis, but not less than annually.

PFS also continually monitors holdings in Client accounts in regards to numerous factors including but not limited to performance, change in management and ownership, change in management style, potential capital gain and income distributions, costs and macroeconomic events. PFS employs investment guidelines in managing accounts as set forth in the Agreement and in the SIP signed by the Client. PFS holds monthly meetings of its Investment Committee to review securities, market conditions and new investment opportunities.

Investment Portfolio Management and Investment Portfolio Monitoring Clients will receive quarterly written reports. PFS and its IARs encourage Clients to make an appointment with their IAR to meet and discuss the reports and any material changes in the Client's financial condition or objectives. Separate complete reports are created for each account because different types of accounts can have different tax implications. The accounts, however, are managed as if they were a single entity. The first report is a consolidated report of all accounts with the individual account reports following. Clients also receive a report detailing results, positions and values quarterly. Clients may also receive a performance report (% and dollar gain or loss for the account) for other time frames such as year to date, the last twelve months and since the inception of the IAR's portfolio management. Clients may also be contacted by mail or telephone on current subjects of interest regarding the economy or situations that warrant the Client's attention.

Item 14 – Client Referrals and Other Compensation

PFS does not pay cash referral fees to either affiliated or unaffiliated entities that directly or indirectly solicit any Client for or refer any Client to PFS. For purposes of this policy affiliated entities include any partner, officer, director, access person or employee of PFS or of any entity that is under common control of PFS.

PFS does not accept referral fees or any form of remuneration from other professionals when a prospect or Client is referred to them. PFS agrees to reduce its fees for Investment Portfolio Management to the Client and all accounts affiliated with the Client when the assets of the combined accounts reach a fee breakpoint. Clients may

refer another Client to PFS. PFS will combine the two account portfolios and apply the lower tier fee rate for both Client accounts based on the combined value of the portfolios.

Item 15 – Custody

All assets are held at a qualified custodian. Clients should, at least, receive quarterly statements directly from the broker dealer, bank or other qualified custodian that holds and maintains Client's investment assets. These statements should be mailed to the address of record listed on the account. In the case of Charles Schwab & Co., statements are sent monthly by Schwab directly to the Client with a copy to PFS. PFS urges Clients to carefully review such statements and compare such official custodial records to the account statements that we may provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

Item 16 – Investment Discretion

PFS usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. If discretionary authority has not been given, PFS consults with the Client prior to each trade to obtain approval.

When selecting securities and determining amounts, PFS observes the investment policies, limitations and restrictions of the Clients for which it advises. For registered investment companies, PFS's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to PFS in writing. Clients are regularly provided with the opportunity to review portfolios and discuss specific transactions.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, PFS does not have any authority to and does not vote proxies on behalf of advisory Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. PFS may provide advice to a Client regarding the voting of proxies, but the Client is responsible for the final decision.

Item 18 – Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about PFS's financial condition. PFS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding. A balance sheet is not required to be provided because PFS does not serve as a custodian for Client funds or securities, other than as described above, and does not require prepayment of fees of more than \$1,200 per Client, six months or more in advance.