



## **PART 2A OF FORM ADV – BROCHURE**

**Pirrmann Financial Services, Incorporated  
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**July 23, 2012**

This Brochure provides you information about the qualifications and business practices of Pirrmann Financial Services, Incorporated. If you have any questions about the contents of this Brochure, please contact us at (248) 454-1970 or at [wayne@pirrmannfinancial.com](mailto:wayne@pirrmannfinancial.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.

We are a registered investment adviser. Registration of an adviser does not imply any level of skill or training.

Additional information about Pirrmann Financial Services, Incorporated also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **TABLE OF CONTENTS**

COVER PAGE.....	i
TABLE OF CONTENTS.....	ii
ADVISORY BUSINESS .....	1
FEES AND COMPENSATION .....	2
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	5
TYPES OF CLIENTS.....	5
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....	5
DISCIPLINARY INFORMATION.....	8
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	8
CODE OF ETHICS.....	9
BROKERAGE PRACTICES.....	9
REVIEW OF ACCOUNTS .....	12
CLIENT REFERRALS AND OTHER COMPENSATION .....	12
CUSTODY.....	12
INVESTMENT DISCRETION .....	13
VOTING CLIENT SECURITIES .....	13
FINANCIAL INFORMATION .....	13
REQUIREMENTS FOR STATE-REGISTERED ADVISERS .....	13
WAYNE R. PIRMANN – PART 2B BROCHURE SUPPLEMENT .....	2

## **ADVISORY BUSINESS**

### **Our Owners and Principals**

Our firm is a Michigan corporation founded by Wayne Pirmann, our President and Chief Compliance Officer, in 1996. We are required to disclose the persons owning twenty-five percent (25%) or more of our firm's membership interests. Wayne Pirmann is our only principal and owns more than twenty-five percent (25%) of our firm's common stock.

### **Our Advisory Services**

#### ***Investment Management***

If you utilize our investment management services, we actively manage your assets on a discretionary basis, pursuant to a written investment management agreement, using model portfolios. You complete a Risk Tolerance Questionnaire providing us with information on your individual financial and personal needs, investment objectives, time horizon, and risk tolerance to guide our investment services. You are solely responsible for the accuracy and completeness of all information you provide to us and must notify us, in writing, of any material changes to such information. We will not independently verify the accuracy or completeness of any information you provide to us.

We offer five model portfolios, ranging from Ultra Conservative to Growth, each with materially different risk and return characteristics. We chose the model portfolio appropriate for investment of your assets based on our analysis of your Risk Tolerance Questionnaire. We compose each model portfolio with a combination of investments, such as fixed-income annuities, exchange traded funds, real estate investment trusts, government bonds and cash. You may impose reasonable restrictions or limitations on the types of investments in your account by providing us with such restrictions or limitations in writing.

#### ***401(k) Advisory Services***

As part of your overall portfolio management, if you participate in a 401(k) program, you may engage us to determine allocations for your 401(k) assets pursuant to the investment management agreement we sign with you. After considering your goals and risk tolerance, we recommend how you may allocate your assets in the plan among the investment options provided by the plan sponsor. You may implement our investment recommendations or we, with your authorization and current Personal Identification Number, will execute any agreed upon allocation changes. We review your 401(k) plan assets for asset reallocation at least quarterly. If you choose, you may grant us limited discretionary authority in our investment management agreement authorizing us, among other things, to rebalance your 401(k) assets at least annually.

## ***Financial Planning Services***

If we provide you with financial planning services it may include one or more of the following:

Investment Product and Services Planning	Estate Analysis and Planning
Tax Planning	Real Estate and Mortgage Analysis
Financial Planning with Needs Analysis	Personal and Business Budgeting
Insurance Planning	Cash Flow and Net Worth Analysis
Business Planning	Retirement Planning

When providing financial planning services, we enter into a Financial Planning and Consulting Agreement with you setting forth the terms and conditions of our engagement, describing the scope of services to be provided and our fee. We discuss with you your goals, objectives, risk tolerance, and any special or particular circumstance unique to you. After analyzing your individual circumstances, objectives and risk profile, we present you our recommendations, and, provided that you promptly provided us with all information needed to prepare the financial plan we provide you with a written financial plan within six (6) months of the date of our Financial Planning and Consulting Agreement.

Our financial planning recommendations to you may include topics related to those listed above. To implement our advice, we may also recommend that you work with other professionals, such as attorneys or accountants, or utilize various financial products, such as insurance or securities, to implement our recommendations and to obtain your financial goals. If you choose to engage us to provide other services, such as investment management, you will sign a separate investment management agreement and pay a separate and additional fee.

### **Assets Under Management**

We manage client assets on either a discretionary or nondiscretionary basis. As of December 31, 2011, we had \$26,650,000 in client assets managed on a discretionary basis and \$13,200,000 in client assets managed on a nondiscretionary basis.

## **FEES AND COMPENSATION**

### **Investment Management Fee Schedule**

While we reserve the right to negotiate our fees, in our sole discretion, our standard fee schedule for our portfolio management service is as follows:

<b>Total Investable Assets</b>	<b>Annual Fee</b>
\$0 - \$500,000	2.5%
\$500,001 - \$750,000	1.75%
\$750,001 - \$1,000,000	1.25%
\$1,000,001+	1.0%

For portfolio management services, we charge an annual fee based on the assets in your account under our management. We bill our fee quarterly in arrears. Your first payment is due within the first 10 days of the quarter following the quarter in which you signed the investment management agreement. We prorate your first quarter fee based on the number of calendar days from the date we executed the agreement to the end of the first quarter. Your subsequent payments are assessed and due within the first 10 days of each calendar quarter based on the value of the portfolio on the last business day of the previous calendar quarter, which may be adjusted for deposits and withdrawals during the quarter.

Our fees are calculated based on the total assets of your household accounts, regardless of the size of individual accounts. Therefore, once your household accounts reach the next fee level, we charge all accounts the discounted lower fee. For example, once your total assets reach \$500,001, we charge all of your accounts and assets a fee of 1.75%, not only the assets above \$500,000. We bill any household with an account less than \$40,000 of investable assets \$250 per quarter per account until the assets in the account reach \$40,000.

Generally, clients authorize us in the investment management agreement to bill the client's custodian for our fees, and grant the custodian authority to directly deduct our fees from the client's account. Unless we agree with you otherwise in writing, we bill our advisory fees quarterly to your custodian, and the custodian directly deducts our fees from your account. For purposes of calculating the fee, we generally rely upon values reported by your custodian in periodic account statements, which the custodian provides you at least quarterly, reporting all of the advisory fees deducted from your account. You are responsible for verifying the accuracy of the calculation of our advisory fees, because the custodian does not determine whether the fees are accurate or properly calculated.

Our investment advisory fee and minimum account balance are negotiable, in our discretion, if we determine you have significant potential for increasing assets under our management or if your account is associated with a larger client relationship. For example, we may allow members of the same family with multiple households to aggregate accounts where we service accounts on behalf of minor children of current clients, individual and joint accounts for a spouse, and other types of related accounts. Also, families with multiple households may qualify for simpler billing based on a yearly flat fee, starting at \$15,000 per year.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. You may incur certain charges imposed by custodians, brokers, third-party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we do not receive any portion of these commissions, fees, and costs.

## **401(k) Advisory Services**

When we provide advisory services to you for your 401(k) assets, we charge you in accordance with our “**Investment Management Fee Schedule**” beginning on page 2, based on your total assets under our management. We aggregate your assets we are managing in our portfolios with your 401(k) assets to determine your fee. We reserve the right to negotiate our fee, in our sole discretion.

If you choose, you may grant us limited discretionary authority in the investment management agreement granting us authority to bill your custodian directly, and to instruct your custodian to deduct our advisory fees for our 401(k) advisory services directly from your investment management custodial account.

## **Financial Planning Fees**

Generally, we charge either an hourly rate or flat fee for our financial planning services. While we reserve the right to negotiate our fee, in our sole discretion, our standard hourly and flat fees are set forth below:

Advisory services	\$300 per hour
Technical and administrative services	\$95 per hour
Flat fees	\$3,000 to \$8,000

Our fees for financial planning services vary depending upon the scope of services provided, complexity of the process undertaken, the types of issues addressed and the frequency of our services. We provide you with an estimate of the total number of hours we anticipate for the service or flat fee at the start of our advisory relationship. If you enter into a flat fee arrangement for our services, you may either pay the entire fee at the time you sign the financial planning agreement or upon delivery of the financial plan, or, depending on the amount of the fee, you may pay a deposit at the time of signing and the remainder of the fee upon our completion of the services. If you enter into an agreement for which we charge an hourly fee, we provide you with an estimated total fee, and depending on the amount you may pay a deposit at the time of signing and the remainder of the fee upon our completion of the services or pay the entire amount upon completion of our services. We also offer our services on a retainer basis, under which you may pay us on a monthly, quarterly or semi-annually basis.

## **Termination of Agreement**

Our investment management or financial planning agreements may be terminated by either party by providing five (5) business days written notice to the other party. If you terminate the investment management agreement before the end of the quarter, we charge you a prorated amount of advisory fees incurred during the quarter at the time of termination. You are responsible for any cost incurred in transferring your assets from the managed account to a different account. If you terminate our financial planning agreement before we deliver your

financial plan to you, or upon delivery of the financial plan to you, we will refund any monies already paid. After you terminate our investment management or financial planning agreement we have no further duties or obligation to you.

### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of your assets).

### **TYPES OF CLIENTS**

We provide portfolio management and financial planning services to individuals, trusts, estates, charitable institutions, and corporations or business entities.

We impose certain conditions for you to open and maintain an account. Generally, we require a minimum of \$150,000 per household to open and maintain an account. However, in our discretion, we may waive this requirement if we determine you have significant potential for increasing your assets under our management or if your account is tied to a larger client relationship. For example, we may aggregate accounts of members of the same family with multiple households where we service accounts on behalf of minor children.

Also, we bill any household with an account less than \$40,000 of investable assets \$250 per quarter per account until the assets in the account reach \$40,000.

There is no minimum asset size for our financial planning services.

### **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

#### **Methods of Analysis**

We utilize several methods to analyze securities for our portfolios, including fundamental, charting and technical analysis. Fundamental analysis is a technique that attempts to determine a security's value by focusing on the economic well-being of a financial entity as opposed to only its price movements. When conducting fundamental analysis, we will review documents, such as a company's financial statements, press releases, and filings with the SEC, to determine whether the company's revenue is growing, if the company is profitable, if the company is in a strong enough position to beat its competitors in the future, and if the company is able to repay its debts. Because it can take a long time for a company's value to be reflected in the market, the risk associated with this method of analysis is that a gain is not realized until the stock's market price rises to the company's true value.

We also utilize technical analysis to evaluate potential investments. Unlike fundamental analysis, technical analysis does not analyze the company's value, but instead analyzes the

stock's price movement in the market. Charting is a form of technical analysis in which the various technical factors are diagrammed to illustrate patterns. Technical analysis studies the supply and demand in the market in an attempt to determine what direction, or trend, will continue in the future. However, there are risks involved with this method, including the risk that the trends will change unpredictably, which is why we use a combination of methods and obtain information from a variety of sources.

We obtain information from a number of sources, both public and by purchase, including financial newspapers and magazines, inspections of corporate activities, research materials prepared by third-parties, annual reports, company press releases, prospectuses and filings with the SEC. We believe these resources for information are reliable and regularly depend on these resources for making our investment decisions; however, we are not responsible for the accuracy or completeness of this information.

### **Investment Strategies**

We use a variety of investment strategies depending on your circumstances, risk tolerance and financial goals and needs. We may recommend implementing one or more of the following investment strategies for your account: long-term purchases (held at least a year), short-term purchases (held less than a year), trading (held less than 30 days), short sales (selling of a security that the seller does not own based on the assumption that the seller will be able to buy the stock at a lower amount than the price at which the seller sold short), margin transactions (purchase of a security on credit extended by a securities company), and option writing (selling an option).

We may recommend implementing these strategies using stocks, bonds, mutual funds (held directly or held within variable annuities or life insurance products), options contracts, and other types of investments. We often recommend mutual funds of different kinds to promote portfolio diversification within various asset classes, such as industry sectors, domestic/international, or equities/bonds. Also, we may recommend periodic purchases, sales, and exchanges of those mutual fund shares within mutual fund families and between different mutual fund families when there are changes in client needs, market conditions, or economic developments.

### **Types of Investments and Risk of Loss**

We offer advice about a wide variety of investment types, including mutual funds, index funds, exchange traded funds ("ETFs"), fixed and variable annuities, and interests in partnerships investing in real estate or oil and gas interests, each having different types and levels of risk. We will discuss these risks with you when determining the investment objectives that will guide our investment advice for your account. We will explain and answer any questions you have about these kinds of investments, which present special considerations such as the following.

Investing in securities involves risk of loss that you should be prepared to bear. Obtaining higher rates of return on investments typically entails accepting higher levels of risk. We work



with you to attempt to identify the balance of risks and rewards that is appropriate and comfortable for you. However, it is still your responsibility to ask questions if you do not understand fully the risks associated with any investment or investment strategy.

Also, while we strive to render our best judgment on your behalf, many economic and market variables beyond our control can affect the performance of your investments and we cannot assure you that your investments will be profitable or assure you that no losses will occur in your investment portfolio. Past performance is one relatively important consideration with respect to any investment or investment advisor, but it is not a predictor of future performance.

### *Penny Stocks*

Some of our clients hold penny stocks. Penny stocks are equity securities that trade for under five dollars (\$5.00) through over the counter (“OTC”) Bulletin Boards and pink sheets. Unlike securities that are traded on a national securities exchange or an automated quotation system sponsored by a registered national securities association, such as NASDAQ or the New York Stock Exchange, stocks traded using OTC Bulletin Boards and pink sheets do not always file timely financial information with the SEC. While we no longer recommend the purchase of penny stocks, we will recommend to clients on when to sell penny stocks.

### *Mutual Funds, Index Funds and Exchange-Traded Funds*

Mutual funds and ETFs typically charge their shareholders various advisory fees and expenses associated with the establishment and operation of the funds. These fees generally include a management fee, shareholder servicing, other fund expenses, and sometimes a distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. These separate fees and expenses are disclosed in each fund’s current prospectus, which is available from the fund or we can provide it to you upon request..

Consequently, for any type of fund investment, it is important for you to understand that you are directly and indirectly paying two levels of advisory fees and expenses: one layer of fees at the fund level and one layer of advisory fees and expenses to us. Generally speaking, most mutual funds may be purchased directly, without using our services and without incurring our advisory fees.

Most mutual funds offer several “classes” of their shares which may be purchased by different types of investors or investors with different investment objectives. These are also described in the mutual funds’ prospectuses. Depending on your investable assets, investment objectives, and time horizon, different classes may be more appropriate for your circumstances. We can discuss with you the available classes of mutual fund shares that may be available, the different purposes for which they may be purchased, and the differences in commissions and charges associated with each share class.

## *Variable Annuities*

Variable annuities are highly complex financial products offered by insurance companies. Investment in a variable annuity contract is subject to both general market risk and the insurance company's credit risk. These and other risks are described in the variable annuities' prospectuses. Variable annuities are regulated under both securities and insurance laws and related rules and regulations. Variable annuities offer various benefits and features which may or may not have value to you depending on your circumstances, which we can discuss with you. Like other types of investments, commissions are paid for the purchase of variable annuities and there may be substantial surrender charges. These commissions, surrender charges, and other expenses are disclosed in the prospectus.

Like mutual funds, insurance companies charge a variety of fees and charges against the assets invested in the separate accounts of their policy holders. As noted above, this means that there are two layers of advisory fees incurred—one layer by the insurance company and one layer to our firm for our advisory services.

## **DISCIPLINARY INFORMATION**

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events to you that would be material to your evaluation of our firm or the integrity of our management. We have no legal or disciplinary events to disclose.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As a registered investment adviser we are required to disclose information regarding our business activities, other than giving investment advice, our other activities in the financial industry, and any arrangements with related persons that are material to you or our advisory business. As part of our financial planning advice, we may recommend that you or other clients purchase insurance. Although our firm is not licensed as an insurance agent, some of our investment adviser representatives, in their individual capacity, are licensed insurance agents and in such capacity, they may recommend or advise on, certain insurance products. If you purchase insurance through one of our representatives, that representative receives a commission from the insurance company, and the receipt of this compensation may create a potential conflict of interest. However, to mitigate this conflict of interest, you have the option of choosing to purchase any insurance we recommend through other insurance agents or agencies. Also, we do not receive any of the fees, referral or otherwise, when you or other clients purchase insurance products from one of our representatives.

## **CODE OF ETHICS**

We have adopted a Code of Ethics, pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, describing the standards of business conduct we expect all officers, directors, employees, and advisory representatives to follow. The Code also describes certain reporting requirements with which particular individuals associated with or employed by us must comply with, and prevents the unlawful use of your material non-public information. We will provide you a copy of the Code upon request.

We and individuals associated with us may buy or sell investment products for our own personal account, also called a proprietary account, identical to those we recommend to clients. This may present a conflict of interest with you or our other clients. To prevent any conflict, it is our policy that no person associated with us may purchase or sell any security for a proprietary account in advance of transactions being implemented for a client account. We also require all persons associated with us to report their personal securities holdings and obtain pre-approval of certain investments such as initial public offerings and limited offerings. We may however, when available on the brokerage platform, aggregate orders for proprietary accounts with those of our clients as described in the section titled “**BROKERAGE PRACTICES - Aggregation of Orders**” beginning on page 11.

You may request a copy of our Code by contacting Wayne Pirmann, our President and Chief Compliance Officer, at (248) 454-1970 or at [wayne@pirmannfinancial.com](mailto:wayne@pirmannfinancial.com).

## **BROKERAGE PRACTICES**

### **Directed Brokerage & Soft Dollars**

Although we do not require clients to use a specified broker-dealer, we recommend you establish an account at Trade-PMR Inc., a SEC registered broker-dealer and introducing broker of First Clearing, LLC, or another qualified custodian approved by us, for custodian and brokerage services. Generally, clients authorize us in the investment management agreement to establish one or more brokerage accounts, options accounts, and/or margin accounts on their behalf with a broker-dealer in the client's name. In seeking best execution, we consider, not only the commission rate charged by the broker and the broker's execution capabilities, financial responsibility and responsiveness to instructions, but also the full range of services provided by the broker, including research and custodial services. Accordingly, if you authorize us to choose your broker you may pay commissions in excess of those which the broker (or another broker) may charge for transactional services alone, in recognition of the additional services provided. We, however, must determine in good faith that the amount of any commission paid is reasonable in relation to the value of the brokerage and research services provided, viewed in terms either of a particular transaction or our overall responsibilities with respect to accounts as to which we exercise investment discretion. We must also determine that any services we

receive provides lawful and appropriate assistance in the performance of our investment decision-making responsibilities.

We have not and do not intend to enter into any contractual third-party soft-dollar arrangements, such as where we commit to place a specific level of brokerage with a specific firm in return for which the brokerage firm will pay for various research related products or services for us that are generally available for cash purchase.

Occasionally, clients may direct us, in writing, to utilize a specified broker-dealer, of the client's choosing, to effect transactions for or with the client's account. If you choose to utilize a specific broker, which is not Trade-PMR Inc. or another qualified custodian recommended by us, you should understand that, (1) you will be solely responsible for negotiating the terms and arrangements on which those brokers and dealers are engaged, and we will have no responsibility for reviewing the fairness of those terms and arrangements; (2) we will not seek better execution services or prices from other brokers and dealers in connection with transactions for your account; (3) we will not be able to "batch" or "aggregate" transactions for your account with transactions for our other clients not subject to a similar such arrangement; (4) we will not monitor the performance of or the services provided by the brokers and dealers you designate; (5) and as a result, you 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. However, we may seek better execution services or prices from other brokers or dealers or "batch" your transactions for execution if such action is required by law or fiduciary duties, including but not limited to, the fiduciary duty provisions under the Employee Retirement Income Security Act of 1974, as amended, if you are a plan subject to ERISA, or if the designated broker or dealer is unable or unwilling to effect a particular transaction or transactions, which may occur with certain transactions involving fixed-income securities.

### **Basket Order Trades**

Currently, when a trade in a security involves more than one client, the Firm uses the basket trading procedures available through the Trade-PMR trading software. When multiple clients are all buying or selling the same security, the orders are placed in a "basket" that represents an individual order for each account involved at the broker. The basket is entered into the trading system at Trade-PMR so that each client's order is filled directly in the client's account. For market orders, neither the IAR entering the trade nor anyone at Trade-PMR has any control over the sequence in which the orders are filled, so each client may execute at a slightly different price. Normally, by the end of the trading day, but no later than the next business day, we verify all client orders are filled. When a basket trade is executed, we will record the client with the lowest price and the client with the highest price. We will continue to review basket trade executions to confirm that the sequence in which trades are filled is random and that no one client is benefited or disadvantaged over any other client.

## **Aggregation of Orders**

We have agreed to pursue block trading and go through the due diligence process at Trade-PMR. When we are approved, we may desire to aggregate trade orders for multiple clients and proprietary accounts. This practice is sometimes called “batching” or placing a “block” order. Block transactions are known as “average cost facilitation” at Trade-PMR. Allocation of securities orders and limited investment opportunities among individual client accounts can create issues as can trading proprietary accounts. Accordingly, when approved by Trade-PMR, we will adopt and disclose trade aggregation/allocation procedures that ensure that any allocations will be timely, fair, and documented.

We will not aggregate orders for a client having a directed brokerage relationship with a client who does not have a directed brokerage relationship with the same broker-dealer or for plans governed by ERISA. A consequence of not aggregating your order with other orders for the same securities is that you may not obtain as good a price or as low a cost in a separate transaction as clients whose orders have been aggregated.

## **Trade Rotation Policy**

We will provide a fair and equitable method of trade rotation in placing trades for clients' accounts. To meet this objective, we have established this written trade rotation procedure to be used when multiple clients are all buying or selling the same security. We will utilize a trade rotation log to track and monitor the trade rotation schedule.

We currently organize our rotation by trading platform. We rotate the platforms so that each platform trades first one third of the time and no one group of clients benefit to the detriment of another group of clients.

This internal control is meant to help us ensure that we do not treat client accounts unfairly to the extent reasonably practicable and that no client account (or group of accounts) receives placement priority over any other participating accounts over time.

## **Trade Error Policy**

We have the responsibility to effect orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the handling of your transactions, due to our actions, or inaction, or actions of others, our policy is to seek to identify and correct any errors as promptly as possible without disadvantaging you or benefiting us in any way.

If the error is our responsibility, your transaction will be corrected and we will reimburse you for any loss resulting from an inaccurate or erroneous order.

## **REVIEW OF ACCOUNTS**

### **Review**

For clients utilizing our investment management services, we monitor your account on a continuous basis and, generally, conduct a formal review at least monthly. We may conduct additional reviews at your request. We rebalance the model portfolio and your account balance invested in such model portfolio at least annually. At least quarterly, we notify you to contact us if there have been any changes in your financial situation, investment objectives or restrictions.

If you are utilizing our 401(k) advisory services, we review your assets in the plan for asset reallocation at least quarterly. With your authorization, we may have limited discretionary authority to rebalance your 401(k) assets at least annually.

Mr. Pirmann, President of our firm, conducts all client reviews and is responsible for all investment-related decisions with respect to our client accounts.

### **Reports**

Your custodian (usually your trustee or designated brokerage firm) provides you with periodic statements, not less than quarterly, reporting all of the advisory fees deducted from your account. You are responsible for verifying the accuracy of the calculation of our advisory fees, because the custodian does not determine whether the fees are accurate or properly calculated.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

We may engage solicitors to market our services. If we do so, such agreements will comply with Rule 206(4)-3 and other applicable requirements under the Investment Advisers Act of 1940. Generally, any such agreement provides for payment of a percentage of the advisory fees we collect from advisory clients who become our clients as a result of the solicitor's efforts. If a solicitor refers you to us, the solicitor's compensation is based upon the advisory fees we collect from you and may be paid during a specified time period after we begin providing advisory service to you or for the entire time that you remain our client. We will not charge you any higher fee as a result of our obligation to pay for such solicitation services.

If a solicitor refers you to us you will receive a separate solicitor's disclosure brochure describing our solicitation arrangements, the compensation we pay to the solicitor, and the terms of that relationship. You will also receive a copy of this Brochure.

## **CUSTODY**

At least quarterly, you will receive statements from the broker-dealer, bank or other qualified custodian that holds and maintains your investment assets. You should carefully review such statements.

## **INVESTMENT DISCRETION**

Generally, our clients grant us discretionary authority in writing at the outset of an advisory relationship in the investment management agreement. If you execute a non-discretionary investment management agreement, we obtain your approval before executing a trade for your account. If you execute a discretionary investment management agreement, this discretionary authority authorizes us to determine, without obtaining your specific consent, the securities to be bought or sold for your portfolio, the amount of securities to be bought or sold, and in most cases, the broker or dealer to be used and the commission rate to be paid. In all cases, however, we exercise such discretion in a manner consistent with your stated investment objectives, account size and risk tolerance.

Also, you may sign an agreement with your custodian, which generally includes a limited power of attorney granting us authority to direct and implement the investment and reinvestment of your assets within your account, but not direct the assets outside of your account.

## **VOTING CLIENT SECURITIES**

As a matter of firm policy and practice, we will not be responsible for responding to proxies that are solicited with respect to annual or special meetings of shareholders of securities held in your account. Proxy solicitation materials will be forwarded to you for response and voting.

## **FINANCIAL INFORMATION**

As a registered investment adviser, we are required to provide you with certain financial information or disclosures about our financial condition if we have financial commitments that impair our ability to meet contractual and fiduciary commitments to you. We have not been the subject of a bankruptcy proceeding and do not have any financial commitments that would impair our ability to meet any contractual or fiduciary commitments to you or our other clients.

## **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

As described in further detail in our Part 2B of Form ADV, also called our Brochure Supplement, Wayne Pirmann founded our firm in 1996 and serves as our President and Chief Compliance Officer. Mr. Pirmann earned a Bachelor of Arts from Dartmouth College and a Master of Science degree in Financial Services from American College.



## **WAYNE R. PIRMANN – PART 2B BROCHURE SUPPLEMENT**

**Pirman Financial Services, Incorporated  
2201 Auburn Road, Suite B  
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**(248) 454-1970**

**[www.pirmanfinancial.com](http://www.pirmanfinancial.com)**

**March 21, 2012**

This brochure supplement provides information about Wayne R. Pirman that supplements the Pirman Financial Services, Incorporated brochure. You should have received a copy of that brochure. Please contact Wayne Pirman, our President and Chief Compliance Officer, at (248) 454-1970 or at [wayne@pirmanfinancial.com](mailto:wayne@pirmanfinancial.com) if you did not receive Pirman Financial Services, Incorporated's brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Pirman is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Wayne R. Pirmann was born in 1950. Mr. Pirmann earned a Bachelor of Arts from Dartmouth College and a Master of Science degree in Financial Services from American College. In 1996, Mr. Pirmann founded our firm and currently serves as our President and Chief Compliance Officer. From November 2001 until January 2010, Mr. Pirmann worked as a Registered Representative of Sigma Financial Corporation. Mr. Pirmann has received both the CERTIFIED FINANCIAL PLANNER<sup>TM</sup> designation and the Chartered Financial Consultant<sup>®</sup> designation.

Mr. Pirmann earned the right to use the CFP<sup>®</sup> professional designation awarded by The Certified Financial Planner Board of Standards, Inc., a global non-profit corporation. To earn the CFP<sup>®</sup> professional designation, Mr. Pirmann earned a bachelor's degree from a regionally accredited United States college or university; completed an advanced college-level planning course on specific subject areas; passed the comprehensive CFP<sup>®</sup> Certification Examination; completed at least three years of qualified full-time financial planning related experience; and agreed to be bound by the Board's standards of professional conduct and complete 30 hours of continuing education every two years.

Mr. Pirmann, ChFC<sup>®</sup> has also earned the right to use Chartered Financial Consultant<sup>®</sup> designation awarded by The American College, a non-profit educational institution. To earn the Chartered Financial Consultant<sup>®</sup> designation, Mr. Pirmann successfully passed all courses in his selected financial planning program; completed three years of qualified business experience; and agreed to comply with The American College Code of Ethics and Procedures and complete 30 hours of continuing education every two years.

## **DISCIPLINARY INFORMATION**

Mr. Pirmann has no legal or disciplinary events that would be material to your evaluation of him.

## **OTHER BUSINESS ACTIVITIES**

Mr. Pirmann is independently licensed to sell insurance through various insurance agencies. Although the firm does not provide Mr. Pirmann with additional compensation for his insurance sales, Mr. Pirmann receives commission from the insurance company if you purchase insurance through him. The receipt of this compensation may create a conflict of interest. To mitigate this conflict of interest, you may choose to purchase insurance products through other unaffiliated insurance agents.

Mr. Pirmann is not actively engaged in any business or occupation that provides a substantial source of his income or involves a substantial amount of his time.

### **ADDITIONAL COMPENSATION**

Mr. Pirmann does not receive additional compensation, such as sales awards or other prizes, for providing advisory services.

### **SUPERVISION**

Mr. Pirmann is the sole owner and representative of our firm. As such, he does not have a direct supervisor. However, when providing investment advice or making decisions regarding your account, Mr. Pirmann will act prudently and diligent under the circumstances. Also, as a registered investment adviser, Mr. Pirmann must comply with state and federal securities laws and regulations.

### **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Mr. Pirmann has not been found liable in any arbitration, civil, self-regulatory, or administrative proceeding or has been the subject of a bankruptcy petition.

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