

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?

Advisor provides wealth management services primarily 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 also provides personal financial planning specializing in retirement income, tax and legacy strategies. Personal planning consultations prior to engaging investment management services broadly target five areas: financial and retirement planning, tax planning, protection planning, legacy planning, and charitable planning. Incidental areas like planning for college education may be provided separately.

The type of services a client can receive and the fees they will pay will depend upon the level of services provided. Advisor can provide different levels of financial planning, retirement planning, tax planning, legacy planning and/or similar planning, but only to the extent requested. To proceed with implementing any recommendations from planning, both must mutually agree to do so in writing. Otherwise, neither Advisor nor its representatives assist clients beyond presenting planning recommendations. Unlike investment management, a client’s financial planning and consulting are not continuously monitored. Advisor may recommend specialists from a select network of professionals for non-investment services, such as legal or tax preparation. The client is not obligated to engage services from any non-related professionals. Client retains absolute discretion over terms of any proposed engagement and is free to accept or reject any recommendation made by any non-related professionals.

Investment management is the core of Advisor’s wealth management services. The Advisor provides discretionary investment advice limited to certain types of accounts and securities. There are three investment management levels with corresponding financial planning services potentially provided. As part of its best interest responsibilities, Advisor will monitor client investment portfolios on an ongoing basis to determine when any changes may be necessary. Additionally, Advisor may

recommend assets in certain client accounts be apportioned within separate accounts among investment managers not affiliated with Advisor. For assets in those accounts, 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, investment strategy and investing methodologies as well as tax planning and cash management considerations.

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 in connection with employer retirement plans. 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 compensated by fees and not commissions for investment management and financial planning advice. The Advisor’s fee schedule has both fixed and variable components. Ideally, the client household fee for investment management will be close to or more than the minimum Advisory fee. The fee for ongoing wealth management ordinarily includes basic financial planning and consulting services, as requested; levels of service beyond those agreed upon are subject to a premium surcharge. Availability of enhanced financial consulting may be offered under certain circumstances at client request. Independent Investment Managers will charge a separate investment advisory fee; the Advisor’s standard fee schedule may allow a portion of trustee-related fees to be offset. Planning fees could be offset due to insurance reimbursements from related parties of Advisor; Advisor will fully disclose all such reimbursements.

The standard Financial Planning and Consulting fee for advisory services by experienced CFP® professionals prior to any implementation begins at \$10,000. 50% of the introductory planning fee may be allowed toward initial account set-up and first quarter’s investment management. Financial planning services included with investment management increase as assets under management

increase. Investment advisory services with increasing financial planning services per level has breakpoints of \$1,250, \$2,500 and \$12,500 per quarter. Advisor's fee (ranging between 0.40% and 1.50%) is calculated as an annual percentage (%) of the market value of assets under management. Advisor's advisory fee shall be prorated and paid quarterly, in advance, based upon the prior quarter's average daily balance that includes all cash in accounts, which are treated as any other asset. Fees may be further adjusted using Advisor's standard supervisory schedule to calculate enhanced premium financial planning services, when necessary. For hourly consultations, charges may range between \$125 to \$500 hourly depending on CFP® qualifications. Hourly planning fees, where applicable, are in addition to investment management fees.

Advisor, in its sole discretion, may charge a lesser investment advisory fee for investing services 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 Standard Management fee schedules. Minimum fees for arranging implementation of life income annuities, deferred income annuities and/or life insurance is at least \$5,000, and may be greater but may be waived due to reimbursement fees paid to a related party 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. Also, CFP® professionals have a duty of loyalty and care. 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 are examples 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. However, we are fiduciaries within the meaning of Title I of ERISA and/or the Internal Revenue Code to act in your best interest.

- 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 annuities and so earn more long-term compensation. 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 primarily by salary but are 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 can receive reimbursements for insurance product implementation. In such a situation, financial planning and consulting fees otherwise payable would be offset, but only when such implementation is in your best interest compared to products paying no commissions. You should discuss your financial professional's compensation directly with them.

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/ADV_2A_2B.pdf

Dated March 30, 2024