

The Professional Financial Company LLC dba ProFi

Wrap-fee Program Brochure

This Wrap-fee Program brochure provides information about the qualifications and business practices of ProFi. If you have any questions about the contents of this brochure, please contact us at (801) 701-7141 or by email at: info@thePFC.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.

Additional information about ProFi is also available on the SEC's website at www.adviserinfo.sec.gov. ProFi's CRD number is: 286419.

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Registration as an investment adviser does not imply a certain level of skill or training.

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General

Item 2: Material Changes

Since the last update to this brochure on 3/12/2019, there have been no material changes.

Item 3: Table of Contents

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Item 4: Advisory Business

A. Description of the Advisory Firm

The Professional Financial Company LLC (hereinafter “PROFI”) provides portfolio management to clients under this Wrap-fee Program as sponsor and portfolio manager.

| Total Assets Under Management | Annual Fee |
|-------------------------------|------------|
| \$0 - \$1,000,000 | 1.00% |
| \$1,000,000 - \$5,000,000 | 0.87% |
| \$5,000,000 - \$10,000,000 | 0.75% |
| \$10,000,000 - AND UP | 0.50% |

These fees are generally negotiable and the final fee schedule will be memorialized in the client’s advisory agreement.

Portfolio management fees are withdrawn directly from the client’s accounts with client’s written authorization on a quarterly basis, or may be invoiced and billed directly to the client. Clients may select the method in which they are billed.

Fees are paid in advance. The advisory fee is calculated using the value of the assets on the last business day of the prior billing period. Refunds for any fees paid in advance but not yet earned will be refunded on a prorated basis and returned within thirty days to the client via check or return deposit back into the client’s account. For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period and the 30 days’ notice of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Clients may terminate the agreement without penalty for a full refund of PROFI’s fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract with 30 days’ written notice.

B. Contribution Cost Factors

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client’s account, the adviser’s ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

C. Additional Fees

PROFI will wrap third-party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.) for wrap-fee portfolio management accounts. PROFI will charge clients one fee, and pay all transaction fees using the fee collected from the client. Accounts participating in the Wrap-fee Program are not charged higher advisory fees based on trading activity, but clients should be aware that PROFI has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs.

Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to margin costs, charges imposed directly by a mutual fund or exchange traded fund, fees associated with “step out” transactions if the account uses different custodians or broker-dealers, 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.

D. Compensation of Client Participation

Neither PROFI, nor any representatives of PROFI receive any additional compensation beyond advisory fees for the participation of client’s in the Wrap-fee Program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, PROFI may have a financial incentive to recommend the Wrap-fee Program to clients.

Item 5: Types of Clients

PROFI generally offers advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Banks and Thrift Institutions
- ❖ Pension and Profit Sharing Plans
- ❖ Corporations or Business Entities
- ❖ State or Municipal Government Entities

There is no account minimum.

Item 6: Portfolio Manager Selection and Evaluation

A. Selecting/Reviewing Portfolio Managers

PROFI will not select outside portfolio managers for management of this Wrap-fee Program. PROFI will be the sole portfolio manager for this Wrap-fee Program.

PROFI will use industry standards to calculate portfolio manager performance.

PROFI reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is quarterly and is reviewed by PROFI.

B. Related Persons

PROFI and its personnel serve as the portfolio managers for all Wrap-fee Program accounts. This is a conflict of interest in that no outside adviser assesses PROFI's management of the Wrap-fee Program. However, PROFI addresses this conflict by acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the Wrap-fee Program.

C. Advisory Business

PROFI offers ongoing wrap fee portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. PROFI creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- | | |
|---------------------------------|--------------------------------|
| • Determine investment strategy | • Personal investment policy |
| • Asset allocation | • Asset selection |
| • Assessment of risk tolerance | • Regular portfolio monitoring |

PROFI evaluates the current investments of each client with respect to their risk tolerance levels and time horizon.

PROFI will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Portfolio management accounts participating in the Wrap-fee Program will not have to pay for transaction or trading fees. PROFI will charge clients one fee, and pay transaction fees using the advisory fee collected from the client. Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to margin costs, charges imposed directly by a mutual fund or exchange traded fund, 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.

Accounts participating in the Wrap-fee Program are not charged higher advisory fees based on trading activity, but clients should be aware that PROFI has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs. To address this conflict, PROFI will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

Services Limited to Specific Types of Investments

PROFI generally limits its investment advice to mutual funds, equities, fixed income securities, ETFs, real estate funds, REITs, non-U.S. securities, and Educational Savings Plans, although PROFI primarily recommends Mutual Funds. PROFI may use other securities as well to help diversify a portfolio when applicable.

Client Tailored Services and Client Imposed Restrictions

PROFI will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by PROFI on behalf of the client. PROFI may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Tax reduction planning, personal and asset protection, retirement planning, retirement plan design, legacy wealth and estate planning, business growth and transference, charitable donations, non-qualified executive compensation, and investment optimization through diversification, asset location / allocation and rebalancing. Other as required to meet client goals.

Wrap-fee Programs

As discussed herein, PROFI sponsors and acts as portfolio manager for this Wrap-fee Program. PROFI manages the investments in the Wrap-fee Program, and will manage wrap-fee accounts differently than non-wrap-fee accounts in that the primary purpose of the wrap fee is to add value to committed client relationships. There is no difference in the fee tranches between wrap or non-wrap accounts. **The only difference in management between wrap-fee and non-wrap-fee accounts is that PROFI will pay trading costs in accounts with managed assets of \$1 million or more.** However, PROFI may include accounts with fewer managed assets in the Wrap-fee Program at the sole

discretion of the firm. The fees paid to the wrap account program will be given to PROFI as a management fee.

Amounts Under Management

PROFI has the following assets under management:

| Discretionary Amounts: | Non-Discretionary Amounts: | Date Calculated: |
|------------------------|----------------------------|------------------|
| \$ 56,000,000.00 | \$ 62,000,000.00 | December 2018 |

Performance-Based Fees and Side-By-Side Management

PROFI **does not accept performance-based fees** or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Clients paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

Methods of Analysis and Investment Strategies

Methods of Analysis

PROFI's methods of analysis include fundamental analysis and fundamental analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

Investment Strategies

PROFI uses/recommends long term investing, global asset-class diversification, and tax-efficient investing based on client goals.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Quantitative Model Risk: Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

Long term investing is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Risks of Specific Securities

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term

goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

Commodities are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Voting Client Securities (Proxy Voting)

PROFI will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 7: Client Information Provided to Portfolio Managers

All client information material to managing the portfolio (including basic information, risk tolerance, sophistication level, and income level) is provided to the portfolio manager. The portfolio manager will also have access to that information as it changes and is updated.

Item 8: Client Contact with Portfolio Managers

PROFI does not restrict clients from contacting portfolio managers. PROFI's representatives can be contacted during regular business hours using the information on the Form ADV Part 2B cover page.

Item 9: Additional Information

A. Disciplinary Action and Other Financial Industry Activities

Criminal or Civil Actions

There are no criminal or civil actions to report.

Administrative Proceedings

There are no administrative proceedings to report.

Self-Regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Registration as a Broker/Dealer or Broker/Dealer Representative

Neither PROFI nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PROFI nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

William Bruce Miller is currently an investment adviser representative with another investment advisory firm, Arista Wealth Management. However, this is for the purpose of transferring his current clients at Arista Wealth Management to The Professional Financial Company LLC, which will at all times act in the best interest of its clients.

Brennon Sterling Bowen owns and operate a rental property.

Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

PROFI does not select third-party investment advisers.

B. Code of Ethics, Client Referrals, and Financial Information

Code of Ethics

PROFI has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. PROFI's Code of Ethics is available free upon request to any client or prospective client.

Recommendations Involving Material Financial Interests

PROFI does not recommend that clients buy or sell any security in which PROFI or a related person has a material financial interest.

Investing Personal Money in the Same Securities as Clients

From time to time, representatives of PROFI may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of PROFI to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. PROFI will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of PROFI may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of PROFI to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, PROFI will never engage in trading that operates to the client's disadvantage if representatives of PROFI buy or sell securities at or around the same time as clients.

Frequency and Nature of Periodic Reviews

Accounts are reviewed at least annually by William B Miller, Owner, with regard to clients' respective investment policies and risk tolerance levels.

Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical

move, or inheritance).

Content and Frequency of Regular Reports Provided to Clients

Each client will receive a quarterly account statement from the custodian.

Economic Benefits Provided by Third Parties for Advice Rendered to Clients

PROFI participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC (“TD Ameritrade”). TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. PROFI receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, PROFI participates in TD Ameritrade’s institutional advisor program and PROFI may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between PROFI’s participation in the Program and the investment advice it gives to its clients, although PROFI receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving PROFI participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have PROFI’s fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to PROFI by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by PROFI’s related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit PROFI but may not benefit its client accounts. These products or services may assist PROFI in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help PROFI manage and further develop its business enterprise. The benefits received by PROFI or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, PROFI endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by PROFI or its related persons in and of itself creates a conflict of interest and may indirectly influence the PROFI’s choice of TD Ameritrade for custody and brokerage services.

Compensation to Non – Advisory Personnel for Client Referrals

PROFI may enter into written arrangements with third parties to act as solicitors for PROFI’s investment management services. PROFI will ensure each solicitor is exempt,

notice filed, or properly registered in all appropriate jurisdictions. PROFI does not currently have any active solicitors' relationships.

Balance Sheet

PROFI neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

PROFI does not have any financial condition that would impair its ability to meet contractual commitments to clients.

Bankruptcy Petitions in Previous Ten Years

PROFI has not been the subject of a bankruptcy petition.

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| Item 10: Requirements For State Registered Advisers |
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Please see the *"Recommendations Involving Material Financial Interests"* and *"Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests"* sections above.