

**Item 1 – Cover Page**

Part 2A of Form ADV  
Firm Disclosure Brochure  
Pinkerton Retirement Specialists, LLC

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March 6 2023

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This brochure provides information about the qualifications and business practices of Pinkerton Retirement Specialists, LLC ("PRS"). If you have any questions about the contents of this brochure, please contact us at 208-667-8998. 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.

PRS 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 about which you decide to hire or retain an Adviser.

Additional information about PRS is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view PRS's information on this website by searching for PRS. You may search for information by using PRS' name or by using PRS's CRD number. The CRD number for PRS is 120973.

## Item 2 – Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the 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. Furthermore, we will provide you with other interim disclosures about material changes as necessary. The firm has made no material changes since the last update of this disclosure statement issued on December 20, 2022.

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## Item 4 – Advisory Business

### A. Description of Advisory Firm

Pinkerton Retirement Specialists, LLC (“PRS”) is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”). PRS is a limited liability company formed under the laws of the State of Idaho. PRS is ultimately owned and controlled by Dan Pinkerton, Managing Member, and his wife, Kathryn Pinkerton. The company was founded in 1987, incorporated in 1996, and PRS has been registered with the SEC as an investment advisor since June 15, 2010.

### B. Description of Advisory Services Offered

#### Asset Management Services

PRS offers investment advisory services for individual clients, high net worth families, foundations, endowments, pension and profit sharing plans, corporations, and institutional investors. These services involve providing a client with constant management of their investment funds. PRS watches a client’s advisory accounts and executes trades. PRS has discretionary and non-discretionary authority of clients’ advisory accounts. Discretionary authority allows us to decide what securities to buy or sell without needing client approval, whereas non-discretionary authority requires client approval before initiating the buying or selling of securities. See Item 15 of this Brochure.

PRS offers a customized and individualized investment program for clients. A specific asset allocation strategy is crafted to focus on the specific client’s goals and objectives. PRS offers the following strategies:

- **Active Portfolios (A20-A100)** – Portfolios of high quality actively managed non-transaction-fee (NTF) funds requiring a score of at least 8 out of 12 on our proprietary scoring methodology. Portfolios range from 100% equity to 20% equity/80% fixed income allocations.
- **Passive Portfolios (P20-P100)** – Portfolios of high quality passive (index focused) funds requiring a score of at least 8 out of 12 on our proprietary scoring methodology. Portfolios range from 100%/0% fixed income equity to 20% equity/80% fixed income allocations.
- **GTS** – Index focused ETF portfolio based on our Global Indexed Trend Tracking Strategy (GITTS), which utilizes proprietary moving averages to determine best opportunities to be invested in the market or in cash/short-term bonds.
- **MGT (Momentum Growth TrendTracker)** – Momentum-based tactical model with a focus on wide moat companies trading at a discount. Utilizes cash and short-term bonds during bear markets.
- **HDT (High Dividend TrendTracker)** – Growth & Income model by investing in high-dividend paying, primarily blue-chip stocks, and can include dividend paying mid-cap, international and real estate stocks with a 10-year history of stable or growing dividends. Utilizes cash and short-term bonds during bear markets.
- **IGP (Income & Growth Portfolio)** – Tactical portfolio consisting of high-quality mutual funds when fully invested, and moves to cash/short-term bonds when long-term market momentum turns negative.
- **TGP (Tactical Growth Portfolio)** – The TGP invests 57% in the PRS Bull/Seasonal Strategy and 43% in the PRS Speedometer Strategy. Both of these strategies are fully invested in equities as the markets are advancing, and are fully invested in bonds, cash, and limited strategic equity exposure when in protection mode.
- **TDP (Tactical Defensive Portfolio)** – The TDP portfolio invests defensively for income and growth as well as capital preservation. The TDP is diversified potentially in bonds, gold, equities, and cash.
- **Tactical Bond Strategy** – When both the long-term and short-term trend indicators are positive (Risk On), the Tactical Bond Portfolio is 100% invested in Corporate Bonds. When either the long-term or short-term indicator is negative (Risk Off), the Tactical Bond Portfolio is 100% invested in 7-10year US Treasury Bonds.

- **GEM (Gold/Equity Momentum Portfolio)** – The GEM has a goal of identifying and investing in uptrends in gold ETF's versus equity ETF's.

PRS will typically construct each client's account holdings using, but not necessarily limited to, no-load mutual funds, funds at NAV, equity positions, fixed income positions, alternative investments, municipal securities and U.S. government securities.

PRS shall obtain from clients information to determine each individual client's financial situation and investment objectives. Accounts are managed on the basis of each client's financial situation and investment objectives. At least quarterly, clients are instructed to notify PRS whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of accounts. At least annually, PRS shall contact individual clients to determine whether their financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of accounts managed. PRS shall be reasonably available to consult with individual clients relative to the status of their accounts. Clients shall have the ability to impose reasonable restrictions on the management of their accounts, including the ability to instruct PRS not to purchase certain securities. Client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account. A separate account is maintained for each client with the custodian and clients retain right of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

### **Institutional Intelligent Portfolios® (“\$ymphony”)**

We offer an automated investment program (“\$ymphony”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds (“ETFs”), mutual funds, and a cash allocation. The client may instruct us to exclude up to three ETFs or mutual funds from their portfolio. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“the Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS&Co., to operate \$ymphony. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, “Schwab”). We, and not Schwab, are the client's investment advisor and primary point of contact with respect to \$ymphony. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of \$ymphony for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for \$ymphony. The Platform enables us to make \$ymphony available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Before enrolling in \$ymphony, clients should carefully review \$ymphony's disclosure brochure to understand the limitations and risks of \$ymphony. For example, the efficacy of the System's recommendations is dependent upon the information the client gives the System, and since the System is an automated information processor, it can only process information within its capabilities. Additionally, \$ymphony does not make the entire universe of all ETFs or mutual funds available for us to select, and therefore our ability to build portfolios is limited in this regard. Clients should understand that \$ymphony is operated by Schwab, and its effectiveness for a particular client will depend significantly on the System's capabilities. Any malfunction by \$ymphony could result in loss outside of PRS's control.

We charge clients a fee for our services as described below under Item 5: Fees and Compensation. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of \$ymphony. Schwab does receive other revenues in connection with \$ymphony.

### Financial Planning Services

PRS provides financial planning services in the form of written financial plans and financial planning consultations. Services may be provided on a one-time basis or on a continuous basis. The client selects these services in the financial planning agreement. Financial planning services may be specific or modular in their preparation (unique to each client in their depth of preparation). Financial planning services may take into consideration factors such as the client's objectives, risks that they are willing to undertake, investment knowledge, net worth, income, age, projected retirement, unusual or material funding requirements, inheritance possibilities, pensions, social security, children/relative funding issues, estate issues, and living expenses expressed in today's dollars requested for retirement. They may include tax planning or investment planning. They may also include retirement planning, estate or business needs, education planning, life and disability insurance needs, long-term care needs and cash flow/budget planning. The services consider information collected from the client. Information may include financial status, investment objectives and tax status, among other data. The IAR delivers a written financial plan to the client.

While financial planning services are prepared with the intention of the client implementing recommendations made within the plan through PRS, clients are not obligated to do so. Clients may select any investment advisor, broker/dealer, or financial institution to implement PRS recommendations.

Financial planning fees are negotiable. In addition, PRS may waive, reduce or credit the amount of the financial planning fee charged to a client when additional advisory fees or commissions are earned. The decision to waive or reduce an advisory fee is at the sole discretion of the firm.

Clients may elect to implement financial planning services either through PRS professionals in their capacity as investment adviser representatives of PRS, or through PRS professionals licensed as registered representative of Triad. To the extent clients elect to implement financial planning services through Triad, please understand commission charges will apply and there is an economic incentive to recommend financial planning services through Triad. [See Item 10.C for additional disclosure.]

Clients receive a written financial plan from the IAR reflecting the planning services selected on the financial planning agreement. Clients will have planning-related consultations with the IAR to evaluate the financial plan and all recommendations.

Clients either receive consulting services in person or by telephone from the planning categories selected for the respective period.

### Pension Consulting Services

PRS provides services to pension and profit sharing plans which includes establishing plans and related documents through data gathering, assessment of participant's goals, meeting with plan participants, fund selection and conducting education and enrollment meetings. The services may include a quarterly review of fund performance and an annual fund review meeting.

### Qualified and ERISA Plan Consulting Services

In addition to the services described above, we also provide qualified and ERISA retirement plan consulting services. These services may involve:

- Fiduciary Management Services
- Fiduciary Consulting Services
- Non-Fiduciary Consulting Services

### **Fiduciary Management Services**

- Discretionary Investment Management Services by which we monitor the investment options of the Plan in order to add or remove investment options for the Plan and actively manage all assets for participants enrolled in the Plan. Pinkerton Retirement Specialists, LLC will be granted discretionary authority to make all decisions regarding the investment options held in the Plan for Plan participants.
- Discretionary Investment Selection Services. Monitoring the investment options of the Plan and add or remove investment options for the Plan.
- Default Investment Alternative Management. Develop and actively manage qualified investment alternative(s) (“QDIA”), as defined in DOL Re. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election.

Pinkerton Retirement Specialists, LLC acknowledges that it is performing Fiduciary Management Services listed above that it is acting as a “fiduciary” as such term is defined under Section 3(38) of Employee Retirement Income Security Act of 1974 (“ERISA”). When providing Fiduciary Management Services, Pinkerton Retirement Specialists’ services include discretionary authority to make investment decision over assets of a retirement plan.

Pinkerton Retirement Specialists acknowledges that it is a fiduciary with respect to its exercise of investment decisions over these assets of retirement plan. A client can elect that Pinkerton Retirement Specialists serve as a 3(21) fiduciary.

### **Fiduciary Consulting Services**

- Recommendations regarding investment selection consistent with ERISA section 404(c).
- Ability to consult on a one-on-one basis with Plan Participants

Pinkerton Retirement Specialists acknowledges that it is performing Fiduciary Consulting Services listed above that it is acting as a “fiduciary” as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 (“ERISA”) for purposes of providing non-discretionary investment advice only. Pinkerton Retirement Specialists will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause Pinkerton Retirement Specialists to be a fiduciary as a matter of law. However, in providing the Fiduciary Consulting Services, Pinkerton Retirement Specialists (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of the client’s retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of the client’s retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of the client’s retirement plan or the interpretation of the client’s retirement plan documents, and (b) is not the “Administrator” of the client’s retirement plan as defined in ERISA.

### **Non-Fiduciary Consulting Services**

Pinkerton Retirement Specialists provides clients with the following Non-Fiduciary Retirement Plan Consulting Services:

- Investment Education. The following services will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.
  - Educational presentations for Plan participants. Presentations to Plan participants are informational in nature and intended to provide an overview of the Plan and the Plan’s investment selections.
  - Asset Allocation Models.
  - Interactive Investment Materials.

The exact suite of services provided to a client will be listed and detailed in the agreement for services.

Clients that elect to engage our firm for this service are required to also work with Pinkerton Retirement Specialists to be a service provider to the plan. As a service provider, we will be responsible for all aspects of the management of the 401(k) plan. Specifically, we provide the following non-investment related services; annual plan review, Plan Demographic Review, Legislative Review and Impact, 404(c) Policy Statement, Plan Vendor Contract Service and Pricing Negotiation, Plan Design Review, Education Meetings, Employer Newsletters, Periodic Sample Employee Memos, ERISA Legal Support & Compliance Assistance, 401(k) Help E-Mail & Toll-Free 800 Number for Employees, Vendor Analysis/Selection/Monitoring, and Plan Conversion Management.

To help control for the potential conflict of interest of using Pinkerton Retirement Specialists as both a service provider and investment advisor, we conduct periodic reviews of fees charged by other firms providing similar pension consulting services as Pinkerton Retirement Specialists. This is done to demonstrate that fees charged by Pinkerton Retirement Specialists are reasonable compared to other companies.

If you, or your company sign up for this service, please understand that you will be ultimately responsible for implementing all recommendations provided by Pinkerton Retirement Specialists. Client funds and assets will be held with a third-party broker/dealer that will serve as the client's qualified custodian. Pinkerton Retirement Specialists will NOT have a limited power of attorney to execute transactions on behalf of the client. Therefore, we will NOT submit trade instructions to the designated third-party administrator. All changes to Plan holdings and investment selections are the client's responsibility.

If you decide to pick the service option for one-on-one consulting services between Pinkerton Retirement Specialists and Plan Participants, such services are consulting in nature and do not involve Pinkerton Retirement Specialists implementing recommendations in individual participant accounts. It will be the responsibility of each Participant to implement changes in their individual accounts. The Participant can implement recommendations provided by Pinkerton Retirement Specialists or direct the Pinkerton Retirement Specialists representative to do so on their behalf.

Pinkerton Retirement Specialists will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), to you any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclose as soon as practicable). In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclose is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Investment Advisory Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder. If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to you the correct information as soon as practicable, but no later than thirty (30) days from the date on which we learns of such error or omission.

### **C. Client-Tailored Services and Client-Imposed Restrictions**

PRS provides asset management services based on the specific needs of the individual client. The client has the ability to impose reasonable limits on investment selections and sectors.

PRS may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and PRS does not typically develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

#### **D. Wrap Fee Programs**

PRS does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

#### **E. Client Assets Under Management**

As of December 31, 2022, PRS manages approximately \$809.9 million of client advisory assets on a discretionary basis and \$82.3 million on a non-discretionary basis.

### **Item 5 – Fees and Compensation**

#### **A. Methods of Compensation and Fee Schedule**

##### *Asset Management Services*

The annual investment advisory fee charged shall vary up to 2.5% of the assets held in the account and is determined by the market value of the account, asset types, the client's financial situation and trading activity, and is negotiable with the client. The fees will be computed in the following manner and charged quarterly in advance:

Basis point charge X market value of assets X actual number of days/365 days

Prior to engaging PRS to provide investment management services, the client will be required to enter into a formal investment advisory agreement with PRS setting forth the terms and conditions, including the amount of investment advisory fees, under which PRS shall manage the client's assets, and a separate custodial/clearing agreement with the custodian.

Either the client or PRS may terminate an agreement for asset management services upon 30 days' prior written notice to the other party. PRS shall provide the client with a pro-rated refund of fees paid in advance. The refund will be based on the number of days service was actually provided during the final billing period. Termination shall be effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There will be no penalty charge upon termination.

##### ***Important Disclosure – Custodian Investment Programs***

Please be advised that the firm utilizes certain custodians/broker-dealers. Under these arrangements we can access certain investment programs offered through such custodian(s) that offer certain compensation and fee structures that create conflicts of interest of which clients need to be aware. Please note the following:

*Limitation on Mutual Fund Universe for Custodian Investment Programs:* There are certain programs in which we participate where a client's investment options may be limited in certain of these programs to those mutual funds and/or mutual fund share classes that pay 12b-1 fees and other revenue sharing fee payments, and the client should be aware that the firm is not selecting from among all mutual funds available in the marketplace when recommending mutual funds to the client.

*Conflict Between Revenue Share Class (12b-1) and Non-Revenue Share Class Mutual Funds:* Revenue share class/12b-1 fees are deducted from the net asset value of the mutual fund and generally, all things being equal, cause the fund to earn lower rates of return than those mutual funds that do not pay revenue sharing fees. The client is under no obligation to utilize such programs or mutual funds. Although many factors will influence the type of fund to be used, the client should discuss with their investment adviser representative whether a share class from a comparable mutual fund with a more favorable return to investors is available that does not include the payment of any 12b-1 or revenue sharing fees given the client's individual needs and priorities and anticipated transaction costs. In addition, the receipt of such fees can create conflicts of interest in instances where the custodian receives the entirety of the 12b-1 and/or revenue

sharing fees and takes the receipt of such fees into consideration in terms of benefits it may elect to provide to the firm, even though such benefits may or may not benefit some or all of the firm clients.

### Financial Planning Services

Financial planning services may be billed on an hourly or fixed-fee basis. Hourly fees generally range from \$50 to \$400 per hour. Fixed fee arrangements typically range between \$500 and \$150,000. In both cases, the exact fee and arrangement charged to an individual client is determined by factors such as the depth and detail of services needed, the complexity of the client's situation, the actual topics included, and the associated person providing the service.

PRS will estimate the number of hours needed when billing on an hourly basis. The estimate will be provided to the client prior to beginning work on the project. Fixed fees are also quoted prior to commencement of work. In the event PRS exceeds the estimate, PRS will contact the client to receive approval from the client prior to completing additional work.

Fees for ongoing financial planning services will be billed either monthly or quarterly, in arrears, with payment due upon the client's receipt of a billing statement from PRS. Prior to beginning any services, PRS will provide the client with an estimate of the amount of hours required to complete the specific service to be provided. In the event PRS exceeds the estimated time, it will contact the client for approval to continue services. Depending on the scope of a particular project, PRS may require a fee of up to 100% of the estimated hourly charge to be paid in advance, with the remaining portion due at the end of the month or quarter or upon completion of the project if completed after the end of the billing period. In such an event, PRS will complete its services within six months of being engaged.

Fees for one-time financial planning projects are due and payable after completion of the consultation services or presentation of the financial planning document. Depending on the scope of a particular project, PRS may require a fee of up to 100% of the quoted fixed fee to be paid in advance with the remaining portion due upon completion. In such an event, PRS will complete its services within six months of being engaged. It should be noted that lower fees for comparable financial planning services may be available from other sources.

Termination: When ongoing financial planning services are contracted, the Financial Planning Agreement shall remain in effect until terminated by either party. Clients may terminate the agreement upon notice to PRS and termination shall be effective upon PRS' receipt of termination. The client is responsible for paying fees for the time and effort expended by PRS prior to receipt of notice of termination. A prorated refund or a prorated charge will be made to client, depending upon the time spent by PRS on services at the time notice of termination was received. PRS will provide a billing statement summarizing all charges and an explanation of the prorated refund due to client or the prorated charges due from client.

When one-time financial planning services are contracted, the Financial Planning Agreement shall terminate upon completion of services or presentation of the planning document. Clients may terminate services prior to completion, with fees prorated based on the work completed.

### Qualified and ERISA Plan Consulting Services

Clients pay one fee to Pinkerton Retirement Specialists for this service that covers the services provided by Pinkerton Retirement Specialists and the investment management services provided by Pinkerton Retirement Specialists. The actual fee charged to each client will be determined with the client and detailed in the agreement for services. Annual fees are divided into quarterly payments and billed to the client on a typically quarterly basis, and occasionally monthly basis. Fees are due upon the client's receipt of the billing notice. For asset based fees, the fee will be calculated quarterly and based on the value of the Plan's assets at the end of each quarter. Annual fixed fees are divided into equal quarterly payments. When fees are based on the total market value of the Plan, the fee shall not exceed 1.20% annually of the Plan's value.

Certain expenses incurred by Pinkerton Retirement Specialists in order to perform the agreed upon Plan services will be considered outside of the standard fee for services described above and will be billed directly to client in addition to the agreed upon service fee indicated. Any outside expenses that clients may be responsible for will be described in the agreement for services.

In addition to the fees paid directly to Pinkerton Retirement Specialists, the client will also incur charges imposed at the mutual fund or exchange traded fund level (e.g., advisory fees and other fund expenses) and charges imposed by the Plan custodian. Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client by the custodian. We do not receive any portion of such brokerage commissions or transaction fees from the custodian or clients. Our fees are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Either party (i.e. the client or our Firm) may terminate the agreement for services with 30 days written notice to the other party. A refund of any unearned fees will be made based on the time expended by Pinkerton Retirement Specialists before termination. A full refund of any fees paid will be made if the agreement is terminated within five business days. When fees are billed in arrears, the client will be responsible for paying the final fee on a pro-rated basis.

## **B. Client Payment of Fees**

For payment of asset management fees, PRS generally requires clients to authorize the direct debit of fees from their accounts. Exceptions may be granted subject to the firm's consent for clients to be billed directly for our fees. For directly debited fees, the custodian's periodic statements will show each fee deduction from the account. Clients may withdraw this authorization for direct billing of these fees at any time by notifying us or their custodian in writing.

PRS will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

Fees for ongoing financial planning services will be billed either monthly or quarterly, in arrears, with payment due upon the client's receipt of a billing statement from PRS. Depending on the scope of a particular project, PRS may require a fee of up to 100% of the estimated hourly charge to be paid in advance, with the remaining portion due at the end of the month or quarter or upon completion of the project if completed after the end of the billing period. In such an event, PRS will complete its services within six months of being engaged.

Fees for one-time financial planning projects will be billed after completion of the consultation services or presentation of the financial planning document. Depending on the scope of a particular project, PRS may require a fee of up to 100% of the quoted fixed fee to be paid in advance with the remaining portion due upon completion. In such an event, PRS will complete its services within six months of being engaged. It should be noted that lower fees for comparable financial planning services may be available from other sources.

## **C. Additional Client Fees Charged**

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, separate account managers, private placement, pooled investment vehicles, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, each private placement or pooled investment vehicle's confidential offering memoranda, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, a client may pay

an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using PRS may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian.

For Institutional Intelligent Portfolios™ (“Symphony”), as described in Item 4: Advisory Business, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co. as part of Symphony. Schwab does receive other revenues in connection with Symphony. Brokerage arrangements are further described below in Item 12: Brokerage Practices.

Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

#### **D. Prepayment of Client Fees**

For prepayment of asset management fees, PRS generally requires investment advisory fees to be prepaid on a quarterly basis. PRS's fees will either be paid directly by the client or disbursed to PRS by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The custodian will deliver directly to the client an account statement, at least quarterly, showing all investment and transaction activity for the period, including fee disbursements from the account.

Either client or PRS may terminate an agreement for asset management services upon 30 days' prior written notice to the other party. PRS shall provide the client with a pro-rated refund of fees paid in advance. The refund will be based on the number of days service was actually provided during the final billing period. Termination shall be effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There will be no penalty charge upon termination. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

For financial planning services, PRS may require a fee of up to 100% of the quoted fixed fee to be paid in advance with the remaining portion due upon completion. In such an event, PRS will complete its services within six months of being engaged.

When ongoing financial planning services are contracted, the financial planning agreement shall remain in effect until terminated by either party. Clients may terminate the agreement upon notice to PRS and termination shall be effective upon PRS' receipt of termination. The firm may terminate the agreement upon written notice to the client. Upon termination, any unearned, prepaid fees will be promptly refunded. When one-time financial planning services are contracted, the Financial Planning Agreement shall terminate upon completion of services or presentation of the planning document. Clients may terminate services prior to completion, with fees prorated based on the work completed.

#### **E. External Compensation for the Sale of Securities to Clients**

PRS's advisory professionals are compensated primarily through a salary and bonus structure.

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

PRS does not charge or accept performance-based fees, which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account. The firm has no economic incentive to manage clients' portfolios in any way other than what is in clients' best interests.

## Item 7 – Types of Clients

PRS generally provides investment advice to the following types of clients.

- Individuals
- High-Net Worth Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

*Minimum Investment Amounts Required:* For PRS's Comprehensive Wealth Management, the minimum household account size is \$500,000. For PRS ePortfolios, the minimum household account size is \$200,000, and Comprehensive Wealth Management Services are available for an additional fee. Exceptions to these minimums may be granted by PRS.

For Institutional Intelligent Portfolios™ (“\$ymphony”), clients eligible to enroll in \$ymphony include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for \$ymphony. The minimum investment required to open an account in \$ymphony is \$200,000.

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

### **A. Methods of Analysis and Investment Strategies**

**Note:** For Institutional Intelligent Portfolios™ (“\$ymphony”), clients are advised that the following investment strategies and security types do not apply to enrollees of \$ymphony. \$ymphony accounts only have ETFs, mutual funds, or cash, and thus the scope of advice and investment choices provided to clients is very limited. \$ymphony disclosure brochure includes a discussion of various risks associated with \$ymphony, including the risks of investing in ETFs and mutual funds, as well as risks related to the underlying securities in which ETFs and mutual funds invest. In addition, \$ymphony disclosure brochure discusses market/systemic risks, asset allocation/strategy/diversification risks, investment strategy risks, trading/liquidity risks, and large investment risks. Prospective \$ymphony participants should carefully review \$ymphony disclosure brochure to understand how it operates and its limitations.

PRS uses the following methods of analysis in formulating investment advice.

*Charting* - The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

*Cyclical* - Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

*Fundamental* - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy,

overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

*Technical* - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

PRS Investment Process: The PRS investment process is a disciplined, non-emotional, formula-driven approach that seeks to capture growth in advancing markets, and minimize risk and exposure in down-trending markets. While PRS knows that no strategy can ultimately guarantee a profit or protect against a loss, the process is essentially important.

Step 1: Research - Define the investment objectives and identify the investable universe from the global capital markets. The PRS Research Team selects the investments that best match the stated objectives through focused analysis, disciplined methodology, and leading third-party research.

Step 2: Respond – Prioritize allocating capital to those investments in the established universe that are in a confirmed uptrend, utilizing a quantitative and technical analysis process. Cash is an asset class that is utilized to minimize volatility and losses. In advancing markets, cash exposure decreases. Conversely, in declining markets, cash exposure increases.

Step 3: Advance - Monitor each investment, making tactical adjustments weekly, if needed, in response to changes in the global capital markets, a specific sector, or an individual company or fund. Investments that continue to advance and maintain upward momentum are kept.

Step 4: Protect - Protect gains through a disciplined sell strategy for each invested position. PRS research focuses not only on when to buy, but also on when to sell. The objective is not to “buy, hold, and hope” but to “Advance and Protect.”

In addition, PRS also utilizes the following general investment strategies: long term purchases (Investments held at least a year), short term purchases (Investments sold within a year), trading (Investments sold within 30 days), and option writing including covered options, uncovered options, or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

There is a potential for frequent trading of securities in PRS strategies, which may have a positive or negative impact on investment performance. Performance from active trading can be lowered due to an increase in brokerage and other transaction costs.

Fixed income (bond) managers are selected based upon their identified investment focus such as core, high-yield, municipal bonds, defensive, and even international/global strategies.

Our investment strategies may include long-term and short-term purchases, trading (securities sold within 30 days) and sales, and the use of margin. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

*Risk of Loss:* Clients must understand that past performance is not indicative of future results. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

*Investment Management Services:* PRS employs the following strategies as part of its investment management services:

- The PRS investment management process seeks to create a balance between reward and risk over a given time period. This typically involves using a mix of the securities highlighted below.
- PRS relies on quantitative, technical and fundamental analysis.
- PRS considers multiple time horizons, including long, medium and short term, when determining strategies. Depending on the client's needs, PRS may employ various risk-management strategies. PRS believes these risk-management tools distinguish it in the investment advisory marketplace.

PRS avoids market timing, but may increase cash holdings when necessary. This is based on the client's risk tolerance and PRS' expectations of market behavior.

#### A.1. Material Risks of Investment Instruments

*Equity Securities:* Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

*Mutual Fund Securities:* Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

*Exchange-Traded Funds ("ETFs"):* ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs®, streetTRACKS®, DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQs SM"), iShares® and VIPERs®. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another investment company, will bear their pro-rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

*Fixed Income Securities:* Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds have liquidity and currency risk.

*Corporate Debt, Commercial Paper and Certificates of Deposit:* Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints,

jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.

Commercial paper and certificates of deposit are generally considered safe instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank and the length of maturity. With respect to certificates of deposit, depending on the length of maturity there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity.

*Municipal Securities:* Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

*U.S. Government Securities:* U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States.

*Private Placements:* Private placements carry significant risk in that companies using the private placement market conduct securities offerings that are exempt from registration under the federal securities laws, which means that investors do not have access to public information and such investors are not provided with the same amount of information that they would receive if the securities offering was a public offering. Moreover, many companies using private placements do so to raise equity capital in the start-up phase of their business, or require additional capital to complete another phase in their growth objective. In addition, the securities issued in connection with private placements are restricted securities, which means that they are not traded on a secondary market, such as a stock exchange, and they are thus illiquid and cannot be readily converted to cash.

*Pooled Investment Vehicles:* A pooled investment vehicle, such as a commodity pool or investment company, is generally offered only to investors who meet specified suitability, net worth and annual income criteria. Pooled investment vehicles sell securities through private placements and thus are illiquid and subject to a variety of risks that are disclosed in each pooled investment vehicle's confidential private placement memorandum or disclosure document. Investors should read these documents carefully and consult with their professional advisors prior to committing investment dollars. Because many of the securities involved in pooled investment vehicles do not have transparent trading markets from which accurate and current pricing information can be derived, or in the case of private equity investments where portfolio security companies are privately held with no publicly traded market, the firm will be unable to monitor or verify the accuracy of such performance information.

*Structured Products:* Structured products are designed to facilitate highly customized risk-return objectives. While structured products come in many different forms, they typically consist of a debt security that is structured to make interest and principal payments based upon various assets, rates or formulas. Many structured products include an embedded derivative component. Structured products may be structured in the form of a security, in which case these products may receive benefits provided under federal securities law, or they may be cast as derivatives, in which case they are offered in the over-the-counter market and are subject to no regulation.

Investment in structured products includes significant risks, including valuation, liquidity, price, credit and market risks. One common risk associated with structured products is a relative lack of liquidity due to the highly customized nature of the investment. Moreover, the full extent of returns from the complex performance features is often not realized until maturity. As such, structured products tend to be more of a buy-and-hold investment decision rather than a means of getting in and out of a position with speed and efficiency.

Another risk with structured products is the credit quality of the issuer. Although the cash flows are derived from other sources, the products themselves are legally considered to be the issuing financial institution's liabilities. The vast majority of structured products are from high investment grade issuers only. Also, there is a lack of pricing transparency. There is no uniform standard for pricing, making it harder to compare the net-of-pricing

attractiveness of alternative structured product offerings than it is, for instance, to compare the net expense ratios of different mutual funds or commissions among broker-dealers.

*Corporate Debt Obligations:* Corporate debt obligations include corporate bonds, debentures, notes, commercial paper and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. In addition, the firm may also invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

*Variable Annuities:* Variable Annuities are long-term financial products designed for retirement purposes. In essence, annuities are contractual agreements in which payment(s) are made to an insurance company, which agrees to pay out an income or a lump sum amount at a later date. There are contract limitations and fees and charges associated with annuities, administrative fees, and charges for optional benefits. They also may carry early withdrawal penalties and surrender charges, and carry additional risks such as the insurance carrier's ability to pay claims. Moreover, variable annuities carry investment risk similar to mutual funds. Investors should carefully review the terms of the variable annuity contract before investing.

## **B. Investment Strategy and Method of Analysis Material Risks**

Our investment strategy is custom-tailored to the client's goals, investment objectives, risk tolerance, and personal and financial circumstances.

### Margin Leverage

Although PRS, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, PRS will utilize leverage. In this regard please review the following:

The use of margin leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment.

The use of margin leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

### Short-Term Trading

Although PRS, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard, please read the following:

There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

### Short Selling

PRS generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

### Technical Trading Models

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry and sector performance.

### Option Strategies

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

PRS as part of its investment strategy may employ the following option strategies:

- *Covered Call Writing:* Covered call writing is the sale of in-, at-, or out-of-the-money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.
- *Long Call Options Purchases:* Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.
- *Long Put Options Purchases:* Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

## **Item 9 – Disciplinary Information**

### **A. Criminal or Civil Actions**

There is nothing to report on this item.

### **B. Administrative Enforcement Proceedings**

There is nothing to report on this item.

### **C. Self-Regulatory Organization Enforcement Proceedings**

There is nothing to report on this item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **A. Broker-Dealer or Representative Registration**

PRS is not and does not have a related company that is a broker-dealer. None of PRS's members or employees are registered representatives of a broker-dealer.

### **B. Futures or Commodity Registration**

Neither PRS nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

### **C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

#### *Sherman Portfolios, LLC*

Sherman Portfolios, LLC ("SPL") is an affiliate of PRS and a registered investment adviser that acts as a sub-adviser and model portfolio provider to third-party investment adviser firms. Prospective clients are advised that PRS has an economic interest in recommending to its wealth management clients the sub-advised services of SPL. In addition, please be advised that PRS and its affiliates and related persons may earn additional compensation from its wealth management clients who utilize SPL. The receipt of compensation by SPL as a sub-adviser and PRS's collection of asset-based fees from its wealth management clients whose portfolio assets may include the affiliate manager constitute a conflict of interest. PRS clients may utilize the provider of their choice and are not obligated to utilize the PRS affiliate manager.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics Description**

In accordance with the Advisers Act, PRS has adopted policies and procedures designed to detect and prevent insider trading. In addition, PRS has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of PRS's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of PRS. PRS will send clients a copy of its Code of Ethics upon written request.

PRS has policies and procedures in place to ensure that the interests of its clients are given preference over those of PRS, its affiliates and its employees. For example, there are policies in place to prevent the

misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

#### **B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

PRS does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, PRS does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

#### **C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

PRS, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which PRS specifically prohibits. PRS has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow PRS's procedures when purchasing or selling the same securities purchased or sold for the client.

#### **D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

PRS, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other PRS clients. PRS will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation (please refer to Item 12.B.3 Order Aggregation). It is the policy of PRS to place the clients' interests above those of PRS and its employees.

### **Item 12 – Brokerage Practices**

#### **A. Factors Used to Select Broker-Dealers for Client Transactions**

##### *Custodian Recommendations*

PRS may recommend that clients establish brokerage accounts with Charles Schwab & Co., Triad Advisors, LLC, and American Funds Recordkeeping Direct (collectively "custodian"), FINRA-registered broker-dealers, members

SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although PRS may recommend that clients establish accounts at the custodian, it is the client's decision to custody assets with the custodian. PRS is independently owned and operated and not affiliated with the custodian. For PRS client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

PRS considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

In certain instances and subject to approval by PRS, PRS will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, and taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by PRS will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

Clients are free to select any broker dealer, mutual fund company, or variable annuity sponsor to serve as their qualified custodian. This selection is under the condition that PRS provides approval. When a client directs the use of a particular broker dealer or other qualified custodian, PRS may not be able to obtain the best prices and execution for the transaction. Clients who direct the use of a particular broker dealer or qualified custodian may receive less favorable prices. Further, PRS may place directed trades after effecting non-directed trades.

*Institutional Intelligent Portfolios™ (“Symphony”)*: Client accounts enrolled in Symphony are maintained at, and receive the brokerage services of, CS&Co., a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co. as custodian/broker to enroll in Symphony, the client decides whether to do so and opens its account with CS&Co. by entering into a brokerage account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co., then we cannot manage the client's account through Symphony. CS&Co. may aggregate purchase and sale orders for ETFs and mutual funds across accounts enrolled in Symphony, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform. Schwab Advisor Services™ (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us.

*Soft Dollar Arrangements*: PRS does not utilize soft dollar arrangements. PRS does not direct brokerage transactions to executing brokers for research and brokerage services.

*Institutional Trading and Custody Services*: The custodian provides PRS with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at the custodian. The custodian's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

*Other Products and Services*: The custodian also makes available to PRS other products and services that benefit PRS but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of PRS's accounts, including accounts not maintained at the custodian. The custodian may also make available to PRS software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data

- facilitate payment of PRS's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help PRS manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of PRS personnel. In evaluating whether to recommend that clients custody their assets at the custodian, PRS may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

*Independent Third Parties:* The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to PRS. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to PRS.

*Additional Compensation Received from Custodians:* PRS may participate in institutional customer programs sponsored by broker-dealers or custodians. PRS may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between PRS's participation in such programs and the investment advice it gives to its clients, although PRS receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may 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 PRS 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 advisory 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
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to PRS by third-party vendors

The custodian may also pay for business consulting and professional services received by PRS's related persons, and may pay or reimburse expenses (including travel, lodging, meals and entertainment expenses for PRS's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit PRS but may not benefit its client accounts. These products or services may assist PRS in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help PRS manage and further develop its business enterprise. The benefits received by PRS or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

PRS also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require PRS to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, PRS will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by PRS's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for PRS's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, PRS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by PRS or its related persons in and of itself

creates a potential conflict of interest and may indirectly influence PRS's recommendation of broker-dealers for custody and brokerage services.

#### Brokerage for Client Referrals

PRS does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

#### Directed Brokerage

*PRS Recommendations:* PRS typically recommends Triad Advisors, Charles Schwab & Co., and American Funds Recordkeeping Direct as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

*Client-Directed Brokerage:* Occasionally, clients may direct PRS to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage PRS derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. PRS loses the ability to aggregate trades with other PRS advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

### **B. Aggregating Securities Transactions for Client Accounts**

#### Best Execution

*Discretionary versus Non-Discretionary Accounts:* For those clients who choose not to grant us investment discretion, there may be delays in the execution of investment recommendations as we will execute transactions on behalf of our discretionary clients before contacting any non-discretionary clients. While we will make every reasonable effort to mitigate the impact of this circumstance, it is possible that non-discretionary accounts may receive less favorable trade executions that might possibly result in poorer overall investment performance than those clients who grant us investment discretion.

PRS, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, and the amount of such securities. PRS recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. PRS will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, PRS seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of

PRS's knowledge, these custodians provide high-quality execution, and PRS's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, PRS believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

#### Security Allocation

Since PRS may be managing accounts with similar investment objectives, PRS may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by PRS in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

PRS's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. PRS will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

PRS's advice to certain clients and entities and the action of PRS for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of PRS with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of PRS to or on behalf of other clients.

#### Order Aggregation

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if PRS believes that a larger size block trade would lead to best overall price for the security being transacted.

#### Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

PRS acts in accordance with its duty to seek best price and execution and will not continue any arrangements if PRS determines that such arrangements are no longer in the best interest of its clients.

## **Item 13 – Review of Accounts**

### **A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Ongoing financial planning services are reviewed and updated on an ongoing basis at the request of the client by the client's respective PRS advisor assigned to their accounts. Additionally, PRS schedules client meetings annually, unless the client specifically requests otherwise. Clients are expected to inform PRS of any changes in the client's situation or when additional services and updates are needed. The PRS Research Team reviews client portfolios on a weekly basis. The PRS Research Team is comprised of the following employees: Daniel Pinkerton CFP®, Ron Glendening CFP®, CPM®, Matthew Weed CPM®, Nicholas Helgeson CFP®, and Paul Steenblik CFP®, CFA.

### **B. Review of Client Accounts on Non-Periodic Basis**

PRS may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how PRS formulates investment advice.

### **C. Content of Client-Provided Reports and Frequency**

Asset management clients will receive account statements at least quarterly from the qualified custodian. Clients may additionally receive on-demand position and performance reports from PRS for no additional fee. Clients are encouraged to compare reports provided by PRS against the account statements delivered from the qualified custodian, as the latter is the official record of the client's account.

## **Item 14 – Client Referrals and Other Compensation**

### **A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Other than as described under Item 12 of this brochure, PRS does not receive economic benefits for referring clients to third-party service providers.

### **B. Advisory Firm Payments for Client Referrals**

PRS compensates its employees who attract additional managed assets to the firm. While this may create a conflict of interest, the firm has a fiduciary duty to act in the best interest of clients as defined in the Code of Ethics, which is further discussed in Item 11.

PRS sponsors education and marketing events for clients and prospective clients and occasionally pays for lodging and airfare to the extent a client does not reside in close proximity to the event location. In addition, PRS provides door prizes that may include, among other things, a getaway weekend with free airfare, hotel, and certain other amenities near the firm's headquarters in Coeur d'Alene, Idaho for attendees who meet certain eligibility criteria. The criteria typically requires attendance at each conference workshop, being an accredited investor, and receiving a 100% score on a brief financial planning test related to what they learned at the workshop. Please be advised that such payments for lodging, air travel, and giveaways may be viewed by some as providing an incentive to the recipient to conduct business through PRS. Please be advised that such giveaways do not create an obligation on the part of the recipient to utilize the services of PRS. The clients may use any advisor of their choice.

## **Item 15 – Custody**

PRS is considered to have custody of client assets for purposes of the Advisers Act for the following reasons:

- The client authorizes us to instruct their custodian to deduct our advisory fees directly from the client's account. The custodian maintains actual custody of clients' assets.

- Our authority to direct client requests, utilizing standing instructions, for wire transfer of funds for first-party money movement and third-party money movement (checks and/or journals, ACH, Fed-wires). The firm has elected to meet the SEC's seven conditions to avoid the surprise custody exam, as outlined below:
  1. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
  2. The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
  3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
  4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
  5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
  6. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.
  7. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

Individual advisory clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances, and portfolio holdings in their accounts. Clients are urged to compare the account balance(s) shown on their account statements to the quarter-end balance(s) on their custodian's monthly statement. The custodian's statement is the official record of the account. Private fund investors will receive fund level statements of all activity, cash balances, and portfolio holdings on a quarterly basis from their qualified custodian.

#### **Item 16 – Investment Discretion**

PRS receives written agreement when trading on a discretionary basis for client accounts. With this agreement, PRS has the authority to decide what securities are bought or sold in a client's account, and the amount of such securities.

Clients have the right to place reasonable restrictions on their accounts. Clients may also place reasonable limitations on the discretionary power granted to the firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

#### **Item 17 – Voting Client Securities**

PRS, as an SEC-registered investment advisor, often has voting power with respect to securities in client accounts. PRS owes certain fiduciary duties with respect to the voting of proxies. These fiduciary duties include (i) the duty of care which is required to monitor corporate events and to vote the proxies, and (ii) the duty of loyalty which is required to vote proxies in a manner consistent with the best interests of the client and to put the client's interests before its own interests. In keeping with its fiduciary duties, PRS has adopted a Proxy Voting Policy, which sets forth policies and procedures designed to ensure that PRS votes each client's securities in the best interests of the client.

PRS will be authorized to take action and render any advice with respect to the voting of proxies for securities held in the client's account. PRS will make an independent valuation for each applicable company held in the client's account in accordance with its fiduciary obligations as detailed in this policy. As a general rule, PRS will vote all proxies relating to a particular proposal the same way for all client accounts holding the security in accordance with PRS's Proxy Voting Policy, unless a client specifically instructs in writing to vote such client's

securities otherwise. When making proxy voting decisions, PRS may seek advice or assistance from third-party consultants, such as proxy voting services or legal counsel.

Except as required by applicable law, PRS will not be obligated to render advice or take any action on behalf of the client with respect to assets presently or formerly held in the client's account which become the subject of any legal proceedings, including bankruptcies. Nonetheless, the firm has engaged a third-party service provider for class actions and other legal recovery proceedings. The third-party service provider retains a portion of any funds that are recovered on clients' behalf. PRS does not receive any remuneration for these services.

PRS casts its votes through the web-based tool called ProxyEdge made available by Broadridge Investor Communication Solutions, Inc. ("Broadridge"). PRS will leverage the meeting information and historical voting results provided through Broadridge's Proxy, Policies & Insights solution to determine whether its recorded vote should deviate from the Board Recommendation. In addition, PRS can use tools like custom alerts and reporting available through Broadridge's ProxyEdge platform as a way to help facilitate their voting process. A copy of proxy-voting history as well as our proxy voting policy is available upon request. If clients have any questions concerning proxies, they may contact Broadridge at [us.institutions@broadridge.com](mailto:us.institutions@broadridge.com).

## **Item 18 – Financial Information**

### **A. Balance Sheet**

PRS does not require the prepayment of fees of \$1200 or more, six months or more in advance, and as such is not required to file a balance sheet.

### **B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

PRS does not have any financial issues that would impair its ability to provide services to clients.

### **C. Bankruptcy Petitions During the Past Ten Years**

There is nothing to report on this item.

**Item 1 – Cover Page**

Brochure Supplements  
Pinkerton Retirement Specialists, LLC

Main Office

2000 John Loop  
Coeur d'Alene, ID 83814

Branch Office

505 W. Riverside Ave., Suite 500  
Spokane, WA 99201

208-667-8998  
Toll Free 800-634-2008  
<http://www.pinkertonretirement.com>

March 6, 2023

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This brochure supplement provides information about MPPL investment advisor representatives that supplements the Pinkerton Retirement Specialists, LLC brochure. You should have received a copy of that brochure. If you did not receive a brochure or if you have any questions about the contents of this supplement, please contact us at 208-667-8998.

Additional information about Pinkerton Retirement Specialists, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Daniel W. Pinkerton**  
**Managing Member and President**

This brochure supplement provides information about Daniel W. Pinkerton that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Daniel W. Pinkerton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 2128422.

**Item 2 – Educational Background and Business Experience**

Dan W. Pinkerton (b. 1965) is the Managing Member and President of Pinkerton Retirement Specialists, LLC.

Education Background:

- Bachelor of Arts in International Relations with emphasis in Economics – Stanford University 1987

Professional Designations and Licenses

- Certified Kingdom Advisor® (CKA®), 2020
- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional, 1991

Business Background & Other Business Activity:

- CEO, Sherman Portfolios, LLC, 07/2022–Present
- PRS, LLC, Managing Member, 09/1996–Present  
Investment Advisor Representative, 05/2010–Present
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- LPL Financial Corporation, Registered Principal, 07/1997–05/2016
- LPL Financial Corporation, Investment Advisor Representative, 03/2002–12/2010
- Pinkerton Financial Corporation, President, 09/1996–Present
- Pinkerton Family Heritage, LP, General Partner, 09/1996–Present
- Pinkerton Investments, Inc., President, 09/1996–Present
- Rockford Bay Ranch (Family Owned Ranch), 07/2004–Present
- Sherman Portfolios, LLC, CEO, 07/2022–Present

**Item 3 – Disciplinary Information**

Daniel W. Pinkerton does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Pinkerton is the CEO of Sherman Portfolios, LLC, an affiliate of PRS and a registered investment adviser. PRS manages individual separate accounts for its advisory clients.

Mr. Pinkerton is the owner or control person of the following entities: Pinkerton Investments, Inc. and Pinkerton Family Heritage, LP. These entities are holding companies and do not provide services (financial or otherwise). Mr. Pinkerton spends less than 5% of his time on these activities.

Mr. Pinkerton is the owner of Pinkerton Financial Corp. which provides consulting services to financial professionals through workshops, seminars and training events. Such services are provided solely to financial professionals and not to the underlying investment clients of PRS. Mr. Pinkerton spends approximately less than 5% of his time on this activity.

Mr. Pinkerton is the owner/control person of Rockford Bay Ranch, a non-investment related business that has no material impact on advisory clients or Mr. Pinkerton's investment activities other than a time commitment. Mr. Pinkerton spends less than 5% of his time engaged in the ranching activities of Rockford Bay Ranch.

Mr. Pinkerton serves as chairman of the board for Faith Walk Community Fitness Park; his duties include fundraising and leadership. He spends approximately 5 hours per week on this activity.

Mr. Pinkerton is the owner of Pinkerton Brokerage, LLC, an entity for commission business. The primary purpose of Pinkerton Brokerage is to receive Triad commissions and buy brokerage business from other advisors.

Mr. Pinkerton is President/CEO of Heritage Investment Holdings, LLC, through which he owns and manages real estate property. Additionally, Mr. Pinkerton receives rental income as the owner/landlord of a residential property.

Mr. Pinkerton is a co-founder of the Idaho Character Foundation, a non-profit group dedicated to encouraging a community of excellence in character.

Mr. Pinkerton is the owner/CEO of Sherman Portfolios, LLC, an investment research company.

**Item 5 – Additional Compensation**

Mr. Pinkerton receives additional compensation through his business activities described in Item 4 above.

**Item 6 – Supervision**

Supervision of Mr. Pinkerton is performed by Gery Sadzewicz, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Gery Sadzewicz can be reached at 815-782-1250.

**Ronald L. Glendening**  
**Investment Adviser Representative and Chief Operations Officer**

This brochure supplement provides information about Ronald L. Glendening that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Ronald L. Glendening is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 4468165.

**Item 2 – Educational Background and Business Experience**

Ronald L. Glendening (b. 1964) is an investment adviser representative and the Chief Operations Officer of Pinkerton Retirement Specialists, LLC.

Education Background:

- Bachelor of Arts - Moody Bible Institute (Chicago, IL), 1988
- Master of Divinity- Trinity Evangelical Divinity School (Deerfield, IL), 1993

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional, 2004
- Certified Portfolio Manager (CPM®), 2012

Business Background & Other Business Activity:

- Investment Adviser Representative, Sherman Portfolios, LLC, 10/2022–Present
- PRS, LLC, Wealth Advisor, 6/2001–Present  
Chief Operations Officer, 06/2010–Present  
Investment Advisor Representative, 05/2010–Present  
Chief Compliance Officer, 06/2001–01/2014
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- LPL Financial Corporation, Registered Representative, 01/2002–05/2016
- LPL Financial Corporation, Investment Advisor Representative, 07/2003–12/2010

**Item 3 – Disciplinary Information**

Ronald L. Glendening does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Glendening is a co-successor trustee for Daniel W. Pinkerton Living Trust.

Mr. Glendening is an investment adviser representative with Sherman Portfolios, LLC, an investment research company.

**Item 5 – Additional Compensation**

Mr. Glendening may receive additional compensation through his business activities described in Item 4 above.

**Item 6 – Supervision**

Supervision of Mr. Glendening is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Walter E. Beggs**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Walter E. Beggs that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Walter E. Beggs is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 2807470.

**Item 2 – Educational Background and Business Experience**

Walter E. Beggs (b.1954) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- Bachelor of Arts in Mathematics Education– Northwest Nazarene (Nampa, ID), 1987

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional, 2004

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 05/1996–Present  
Investment Adviser Representative, 05/2010–Present
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- LPL Financial Corporation, Registered Representative, 10/1997–05/2016
- LPL Financial Corporation, Investment Adviser Representative, 09/2002–10/2010

**Item 3 – Disciplinary Information**

Walter E. Beggs does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Beggs has nothing to report for this item.

**Item 5 – Additional Compensation**

Mr. Beggs has nothing to report for this item.

**Item 6 – Supervision**

Supervision of Mr. Beggs is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Paul E. Gannett**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Paul E. Gannett that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Paul E. Gannett is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 7579868.

**Item 2 – Educational Background and Business Experience**

Paul E. Gannett (b.1988) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- Bachelor of Science in Economics – United States Air Force Academy, 2010
- Associates Degree – Prince George's Community College, 2006

Professional Designations and Licenses

- Registered Financial Associate (RFA®)

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 11/2021–Present  
Investment Adviser Representative, 11/2021–Present
- United States Air Force, Fighter Pilot, 05/2010–11/2021

**Item 3 – Disciplinary Information**

Paul E. Gannett does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Gannett has nothing to report for this item.

**Item 5 – Additional Compensation**

Mr. Gannett has nothing to report for this item.

**Item 6 – Supervision**

Supervision of Mr. Gannett is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Nicholas H. Helgeson**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Nicholas H. Helgeson that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Nicholas H. Helgeson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 5282986.

**Item 2 – Educational Background and Business Experience**

Nicholas H. Helgeson (b. 1987) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- College for Financial Planning, MS in Personal Finance, 2021
- Thomas Edison State College, Bachelor of Science in Business Administration, 2011

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 12/2013–Present  
Investment Adviser Representative, 12/2013–Present
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- LPL Financial, LLC, Registered Representative, 2009–05/2016

**Item 3 – Disciplinary Information**

Nicholas H. Helgeson does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Helgeson has nothing to report for this item.

**Item 5 – Additional Compensation**

Mr. Helgeson has nothing to report for this item.

**Item 6 – Supervision**

Supervision of Mr. Helgeson is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Daniel P. Ostlund**  
**Investment Adviser Representative**

This brochure supplement provides information about Daniel P. Ostlund that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Daniel P. Ostlund is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 2219755.

**Item 2 – Educational Background and Business Experience**

Daniel P. Ostlund (b. 1960) is an investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- No post-secondary degree attained

Professional Designations and Licenses

- Life Underwriter Training Council Fellow® (LUTCF®)

Business Background & Other Business Activity:

- PRS, LLC, Investment Adviser Representative, 03/2023–Present
- Ostlund Wealth Advisors, LLC, President/Founder, 12/2016–Present
- CPR Investments, Inc., Investment Adviser Representative, 03/2022–08/2023
- Strategy Marketplace LLC., Investment Adviser Representative, 11/2021–08/2022
- Capital Management Services, Inc., Investment Adviser Representative, 12/2020–08/2022
- World Equity Group, Inc., Investment Adviser Representative, 04/2020–12/2020
- World Equity Group, Inc., Registered Representative, 07/2019–12/2020
- Taylor Capital Management, Inc., Registered Representative, 04/2017–07/2019

**Item 3 – Disciplinary Information**

Daniel P. Ostlund does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Ostlund is a licensed insurance agent and, in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that he may recommend the purchase of insurance products where he/she receives insurance commissions or other additional compensation. Pinkerton has procedures in place to ensure that any recommendations made by its associates are in the best interest of clients regardless of any additional compensation earned.

**Item 5 – Additional Compensation**

Mr. Ostlund receives additional compensation through his business activity described in Item 4 above.

**Item 6 – Supervision**

Supervision of Mr. Ostlund is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Gary A. Pinkerton**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Gary A. Pinkerton that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Gary A. Pinkerton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 4452995.

**Item 2 – Educational Background and Business Experience**

Gary A. Pinkerton (b. 1956) is a Wealth Advisor and Investment Adviser Representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- Colorado State University, MBA Finance, 1987
- Claremont McKenna College, B.S. Economics, 1978
- Harvey Mudd College, B.S. Engineering, Electronics, 1978

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional
- Accredited Investment Fiduciary™ Advisor (AIFA®)

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 01/2014–Present  
Investment Advisor Representative, 01/2014–Present
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- LPL Financial, LLC, Registered Principal, 01/2014–05/2016
- Pinkerton Wealth Management, CEO, 07/2009–01/2014
- Commonwealth Financial Network, Registered Representative, 07/2009–01/2014
- LPL Financial, LLC, Registered Representative, 07/2007–07/2009
- Commonwealth Financial Network, Registered Representative, 06/2003–07/2007
- LPL Financial, LLC, Registered Representative, 02/2003–06/2003

**Item 3 – Disciplinary Information**

Gary A. Pinkerton does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Pinkerton is a member of Rotary International, a humanitarian service organization.

**Item 5 – Additional Compensation**

Mr. Pinkerton does not receive additional compensation through his business activity described in Item 4 above.

**Item 6 – Supervision**

Supervision of Gary A. Pinkerton is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Daniel W. Pinkerton can be reached at 208-667-8998.

**Paul K. Steenblik**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Paul K. Steenblik that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Paul K. Steenblik is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 5233027.

**Item 2 – Educational Background and Business Experience**

Paul K. Steenblik (b. 1956) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- Brigham Young University, Master of Business Administration, Finance emphasis, 1983
- University of Utah, Bachelor of Arts, Accounting, 1981

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional
- Chartered Financial Analyst® (CFA)

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 12/2013–Present  
Investment Advisor Representative, 12/2013–Present
- Triad Advisors, LLC, Registered Representative, 05/2016–12/2020
- Abridge Partners, LLC, Advisory Representative and Senior Associate/Investment Analyst, 01/2010–12/2013; Senior Associate, 10/2007–12/2009
- FFR Advisory, LLC, Senior Associate, 07/2006–12/2007
- LPL Financial, LLC, Registered Representative, 09/2009–05/2016
- Associated Securities Corp., Registered Representative, 04/2009–09/2009
- FSC Securities Corp., Administrative Representative, 09/2006–04/2009
- Western United Life Assurance, Senior Financial Analyst, 06/2004–07/2006

**Item 3 – Disciplinary Information**

Paul K. Steenblik does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

While not investment related, Mr. Steenblik also acts as an independent contractor, researching public records in the County Clerk's office. The purpose of his activities is to provide an interface between citizens and county political party organization. As an independent contractor, Mr. Steenblik averages approximately three hours per month and receives a minimal hourly rate for hours worked.

Additionally, Mr. Steenblik acts as a precinct committee officer in Spokane County, Washington. The purpose of his activities is to provide an interface between citizens and the county political party organization. None of Mr. Steenblik's activities in this capacity relate to providing financial services.

Lastly, Mr. Steenblik participates on a charitable board and serves as a member of the investment committee for St. Georges School. The committee meets quarterly with an outside investment manager who makes recommendations to the school board. Mr. Steenblik has no control nor direct investment involvement. None of Mr. Steenblik's activities in this capacity relate to providing financial services.

**Item 5 – Additional Compensation**

Mr. Steenblik may receive additional compensation through his business activities described in Item 4 above.

**Item 6 – Supervision**

Supervision of Mr. Steenblik is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Nathaniel J. Collier**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Nathaniel J. Collier that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Nathaniel J. Collier is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 6917890.

**Item 2 – Educational Background and Business Experience**

Nathaniel J. Collier (b. 1993) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background

- Gonzaga University, Master of Business Administration, 2021
- Eastern Washington University, Bachelor of Arts in Business Administration, 2017

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional
- Accredited Investment Fiduciary® (AIF®)

Business Background & Other Business Activity

- PRS, LLC, Wealth Advisor, 08/2017–Present
- Triad Advisors, Registered Admin, 02/2018–12/2020
- Eastern Washington University, Teacher's Assistant, 09/2016–06/2017
- Just Sports, Assistant Manager, 10/2014–01/2017

**Item 3 – Disciplinary Information**

Nathaniel J. Collier does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Collier has nothing to report for this item.

**Item 5 – Additional Compensation**

Mr. Collier has nothing to report for this item.

**Item 6 – Supervision**

Supervision of Mr. Collier is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

**Benjamin L. Glendening**  
**Wealth Advisor and Investment Adviser Representative**

This brochure supplement provides information about Benjamin L. Glendening that supplements the information previously provided in this brochure. You should have received a copy of that brochure. If you did not receive a Pinkerton Retirement Specialists, LLC brochure or if you have any questions about the contents of this supplement, please contact the Compliance Administrator at 208-667-8998. Additional information about Benjamin L. Glendening is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His individual CRD number is 5544538.

**Item 2 – Educational Background and Business Experience**

Benjamin L. Glendening (b. 1990) is a wealth advisor and investment adviser representative with Pinkerton Retirement Specialists, LLC.

Education Background:

- College for Financial Planning, MS in Personal Finance, 2021
- Thomas Edison State College, BS Business Administration & General Management, 2009
- Moody Theological Seminary, Biblical Studies Master's Certificate, 2012

Professional Designations and Licenses

- CERTIFIED FINANCIAL PLANNER™ (CFP®) Professional
- Master Planner Advanced Studies<sup>SM</sup> (MPAS<sup>SM</sup>)

Business Background & Other Business Activity:

- PRS, LLC, Wealth Advisor, 05/2010–Present
- Triad Advisors, Registered Admin, 05/2016–12/2020

**Item 3 – Disciplinary Information**

Benjamin L. Glendening does not have any disciplinary action to report. Public information concerning his registration as an investment adviser representative may be found by accessing the SEC's public disclosure site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 – Other Business Activities**

Mr. Glendening has nothing to report for this item.

**Item 5 – Additional Compensation**

Mr. Glendening has nothing to report for this item.

**Item 6 – Supervision**

Supervision of Mr. Glendening is performed by Daniel W. Pinkerton, President, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Pinkerton can be reached at 208-667-8998.

## **Professional Designations - Qualifications and Related Criteria**

### **Accredited Estate Planner® (AEP®)**

The AEP® designation is a graduate-level specialization in estate planning, obtained in addition to already recognized professional credentials within the various disciplines of estate planning. It is awarded to estate planning professionals who meet special requirements of education, experience, knowledge, professional reputation, and character.

*Eligibility* AEP candidates must meet all of the following requirements:

- Be an attorney (JD), accountant (CPA), insurance professional or financial planner (CLU®, ChFC®, CFP® certificant), or trust officer (CTFA).
- Be in good standing with their professional organization, not be subject to disciplinary investigation, and provide three professional recommendations
- Be presently and significantly engaged in estate planning activities and have a minimum of five years' experience in estate planning in one or more of the prerequisite professions
- AEP designees must maintain membership in NAEPC

*Curriculum* Two graduate-level courses administered by The American College or from another accredited graduate program as part of a master's or doctoral degree, unless applicant has 15 or more years' experience as an estate planner. Candidates must pass a proctored, closed-book exam for each course.

*Continuing Education* AEP designees must take 30 hours of continuing education every two years, including 15 hours in estate planning. Recertification is required annually.

### **Accredited Investment Fiduciary® Advisor (AIFA®)**

The AIF Designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF Designation, the individual must meet prerequisite criteria based on a combination of education, industry experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics. In order to maintain the AIF Designation, the individual must annually renew their affirmation of the Code of Ethics and complete six hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

### **CERTIFIED FINANCIAL PLANNER™ (CFP®)**

The CERTIFIED FINANCIAL PLANNER™ (CFP®) certification process, administered by CFP Board, identifies that those individuals who have been authorized to use the CFP certification marks in the U.S. have met rigorous professional standards and have agreed to adhere to the principles of integrity, objectivity, competence, fairness, confidentiality, professionalism, and diligence when dealing with clients.

CFP certifiants must pass the comprehensive CFP Certification Examination; pass CFP Board's Candidate Fitness Standards; agree to abide by CFP Board's Code of Ethics and Professional Responsibility, which puts clients' interests first; and comply with the Financial Planning Practice Standards, which spell out what clients should be able to reasonably expect from the financial planning engagement. These are just some of the reasons why the CFP certification is becoming increasingly recognized.

To become certified, candidates are required to meet the following initial certification requirements:

*Education* Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning.

*Examination* Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances.

*Experience* Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year).

*Ethics* Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP professionals.

*Continuing Education* Individuals who become certified must complete 30 hours of continuing education every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field.

CFP professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP certification.

#### Certified Kingdom Advisor® (CKA®)

The CKA® Designation is granted by the national Kingdom Advisors. The CKA® financial professional confidently integrates technical expertise and biblical financial principles to provide wise counsel to their clients, providing peace of mind and purpose in stewarding their wealth. To receive the CKA® designation, candidates must complete the Kingdom Advisors' Core Training and rigorous testing, pass the final exam, commit to incorporating biblical wisdom into their financial advice and provide evidence of their technical competence. Continuing education requirements to maintain the CKA® certification must be satisfied every year.

#### Chartered Financial Analyst® (CFA®)

The Chartered Financial Analyst® (CFA®) designation is conferred by the CFA Institute. A financial analyst seeking membership to the CFA Institute must:

- meet eligibility requirements
- fully comply with the CFA Code of Ethics and Standards of Professional Conduct
- study books, journal articles, and other readings designated by the Institute
- successfully pass three examinations, each approximately six hours in length and administered by the CFA Institute

The candidate for the CFA designation must have at least a single current and principal engagement:

- in financial analysis of securities investment for a bank, investment company, insurance company, or other financial services or investment management firms
- as an assistant, associate, or full professor or dean of a college or university, who teaches and/or researches
- as an economist involved in financial analysis of securities investment
- as a portfolio manager
- as a financial analyst of securities investment within a public agency
- as a financial analyst of securities investment for a corporate pension, profit sharing or other retirement fund
- as a manager of financial analysts or portfolio managers involved with securities investment and who, before assumption of management obligations, was a financial analyst or portfolio manager

The CFA is awarded to candidates who have passed the examinations and met the other requirements specified by the CFA Institute.

#### Certified Portfolio Manager (CPM®)

The Certified Portfolio Manager (CPM®) designation is offered by the Academy of Certified Portfolio Managers. To attain the CPM® certification, ACPM members are required to complete two components of the CPM program. First, they complete 200 hours of independent study. They then attend a week-long residential program hosted by

the IOR Department at Columbia University. The coursework includes the study of the theory and practice of asset pricing, asset management, risk management, hedge fund management, corporate finance, fixed income analysis, and foreign exchange.

#### Life Underwriter Training Council Fellow® (LUTCF®)

The Life Underwriter Training Council Fellow® (LUTCF®) designation is jointly conferred by the College for Financial Planning and the the National Association of Insurance and Financial Advisors (NAIFA). Individuals that hold the LUTCF® designation have completed a program of study that includes three separate courses that focus on practice management, life insurance, insurance products, investment products, and risk management. Additionally, individuals must pass end-of-course examinations at the end of each course which test their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. LUTCF professionals must complete three hours of ethics-related continuing education every two years.

#### Master Planner Advanced Studies<sup>SM</sup> (MPAS<sup>SM</sup>)

MPAS<sup>SM</sup> designees have earned a Master of Science degree with a major in either personal financial planning or financial analysis from the College for Financial Planning. The curriculum, which takes nearly three years to complete, provides students with a thorough and advanced education focusing on all aspects of personal financial planning, including investments, insurance, taxation, retirement planning, and estate planning. Graduates of the program have demonstrated critical thinking and complex problem-solving skills.

Authorization for continued use of the Master Planner Advanced Studies<sup>SM</sup> and MPAS<sup>SM</sup> credentials must be renewed every two years by completing 40 hours of continuing education, reaffirming compliance with the Standards of Professional Conduct, Terms and Conditions, and complying with self-disclosure requirements.

#### Registered Financial Associate (RFA®)

The Registered Financial Associate (RFA®) designation is awarded by the International Association of Registered Financial Consultants (IARFC) to financial advisors with high standards of ethics, experience, and education. As a prerequisite, designees must have a bachelor's or graduate degree in financial planning or less than three years' financial service industry experience. They also must fulfill one of the following criteria:

- Hold one of the listed professional designations: AAMS, CFS, CFP, ChFC, CLU, CPA, EA, LUTCF
- Hold a Series 65 Securities license or the combinations of Series 6 & 63, Series 6 & 66, Series 7 & 63, or Series 7 & 66
- Have a Life Insurance license
- A Bachelors' or higher degree in Business, Economics, Finance, or a related field
- Completed the entire course requirements for the RFA, RFC, or MRFC designations

Every two years, designees must also complete 40 hours of continuing education in personal finance and professional practice management as well as four hours of ethics to maintain the designation.

<b>FACTS</b>	<b>What Does Pinkerton Retirement Specialists LLC (“PRS”) Do With Your Personal Information?</b>
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<b>The Law</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
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<b>Our Policy</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Income</li> <li>• Employment and residential information</li> <li>• Social security number</li> <li>• Cash balance</li> <li>• Security balances</li> <li>• Transaction detail history</li> <li>• Investment objectives, goals, and risk tolerance</li> </ul> <p>When you are <i>no longer</i> a client, we continue to share your information as described in this notice.</p>
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<b>Your Rights</b>	All financial companies need to share customers’ personal information to run their everyday business. We list below the reasons financial companies can share their customers’ personal information; the reasons PRS chooses to share; and whether you can limit this sharing.
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Definitions	
Everyday Business Purposes	The actions necessary by financial companies to run their business and manage customer accounts, such as providing investment advisory and financial planning advice, processing securities transactions, and otherwise providing financial services to you.
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. PRS has the following affiliate: <ul style="list-style-type: none"> <li>• Sherman Portfolios, LLC</li> </ul>
Non-Affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. PRS does not share information with non-affiliates for marketing purposes.
Joint Marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. PRS does not engage in joint marketing with non-affiliates.

Reasons we can share your personal information	Does PRS share?	Can you limit this sharing?
For our everyday business purposes—such as to provide advice, process your transactions, and maintain your account(s)	Yes	No
For our marketing purposes—to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We do not share
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	No	We do not share
For our affiliates to market to you	No	We do not share
For non-affiliates to market to you	No	We do not share
<b>Contact Us</b>	Call Pinkerton Retirement Specialists at 208-667-8998.	

<b>Sharing Practices</b>	
How often does PRS notify me about their practices?	We must notify you about our sharing practices when you become a client or if we change our information sharing policies and procedures.
How does PRS protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does PRS collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• establish an investment advisory relationship</li> <li>• contract for financial planning services</li> <li>• open an account or deposit money with custodians</li> <li>• purchase or sell securities with executing broker-dealers</li> </ul> <p>We also collect your personal information from others, such as custodians, broker-dealers, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit sharing only for</p> <ul style="list-style-type: none"> <li>• affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates to market to you</li> <li>• non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

If you would like a copy of the Pinkerton Retirement Specialists, LLC, Form ADV Part 2A and 2B, please send a written request to:

Pinkerton Retirement Specialists, LLC  
2000 John Loop  
Coeur d'Alene, ID 83814

If you wish to modify or impose reasonable restrictions concerning the management of your account, or if your financial situation, investment objectives, or risk tolerance have changed, please contact your Pinkerton Retirement Specialists investment advisor representative or contact the Manager at 208-667-8998. We will contact you at least annually to determine if your investment goals, objectives, and risk tolerance have changed.

We urge that you advise us immediately if you have not received your custodian or brokerage statement, which is required to be delivered to you no less frequently than quarterly. In addition, please compare any account information provided by us with account statements from your broker-dealer or custodian and to advise us of any discrepancies. The official record of your account is maintained by your broker-dealer or custodian. Thank you.