

## Item 1. Introduction

Pinnacle Wealth Advisors, Inc., (“PWA,” “firm,” “we,” “us,” and “our”) is an investment advisor registered with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important that you understand the differences. Please note that free and simple tools are available to research advisory and brokerage firms and their associated financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

## Item 2. Relationships and Services

### What investment services and advice can you provide me?

We provide financial planning, investment consulting, and investment supervisory services to our clients. These services are offered under a “full service” arrangement or our “new investor” program. In either arrangement, we will consult with you periodically to review your overall financial circumstances, investment objectives and needs, and to determine your investment time horizon and tolerance for investment risk (collectively, your “Investor Profile”). We also provide retirement plan consulting services.

Based on your Investor Profile, we will recommend an initial investment portfolio to you and provide ongoing management and supervision of the taxable and non-taxable investment accounts you designate on a *discretionary basis* (i.e., an arrangement that allows us to buy and sell investments within your account without obtaining your consent prior to each transaction). We will manage your account(s) in accordance with our fiduciary duty to you, your unique Investor Profile, and any reasonable investment restrictions or limitations you wish to impose on the account(s) (e.g., restrictions on our ability to invest in specific securities, types of securities, or market sectors). As part of this service, we may on occasion recommend that your portfolio be managed, in whole or in part, by certain independent money managers that have been vetted by our firm. We will monitor your account(s) regularly, making changes to and rebalancing your holdings as we believe to be appropriate and in your best interests. We will formally review your account periodically (but not less than annually) based on your investment needs and objectives.

In addition to the portfolio management component of our services described above, clients who engage us on a “full service” basis also receive financial planning and consulting services that are tailored to assist them with the management of their overall financial affairs. We will provide you with our financial planning recommendations based on your unique Investor Profile, addressing various topics relevant to your individual financial situation. The topics covered may include, without limitation, retirement planning, insurance review, cash flow management/budgeting, debt management, estate planning, education funding, charitable gift planning, and others. We will provide you with a written financial plan reflecting an overview of your financial circumstances, your investment holdings, and our investment recommendations. We will update your financial plan periodically, as appropriate based on your financial needs and investment objectives, and otherwise, as you may reasonably

request. We will also provide you with ongoing consulting and advice concerning common financial topics and issues relevant to your financial plan and affairs. You will make the ultimate investment decision with respect to any assets held outside of the custodial accounts we manage on your behalf and will be responsible for monitoring of all such “held away” investments. Financial planning is also offered as a stand-alone service, however, we do not provide any review or update of the plan following its delivery to the client.

Our retirement plan consulting services consist of existing plan reviews, investment policy statement formulation, asset allocation advice, portfolio management services, investment performance monitoring, on-going consulting and communication and education services. Unless we are engaged to serve as an “investment manager” to the plan as defined under the Employee Retirement Income Security Act of 1974, the client makes the ultimate investment decision.

We primarily advise clients regarding investments in stocks, bonds, mutual funds, exchange-traded funds (“ETFs”), and variable products (life insurance and annuities). Depending on the client’s financial circumstances, we may also provide advice regarding other instruments, including, without limitation, U.S. government and municipal securities, money market accounts, and alternative investments. We may also provide advice investments held in your portfolio at the inception of our advisory relationship and/or other investment types not listed above, at your request. We have no minimum opening account size or fee requirements to open or maintain an advisory relationship.

*More detailed information about our advisory services is contained in our Form ADV Part 2A “Firm Brochure” at Items 4 and 7.*

### **Conversation Starter:** Ask us:

- (i) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (ii) *How will you choose investments to recommend to me?*
- (iii) *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

## Item 3. Fees, Costs, Conflicts, and Standard of Conduct

### What fees will I pay?

For “full service” advisory engagements, we typically charge annual asset-based fees typically ranging from 0.85% - 1.60% of the market value of the client’s assets under our management. For most “new investor” advisory engagements (restricted solely to new clients having assets under our management of less than \$100,000), we charge annual asset-asset based fees up to a maximum of 0.85% of the market value of the client’s assets under our management. These accounts do not receive financial planning or access to alternative investments and require that the client set up an automatic monthly deposit to the custodial account we will manage on the client’s behalf. Annual fees for these services are charged quarterly, in advance, based on the market value on the day assets are received into the client’s

account, and prorated through the end of the quarter. All pricing is done by the custodian of the client's account(s). Certain legacy client accounts may pay fees which materially differ from those described above.

Stand-alone financial planning clients pay fixed fees typically ranging between \$3,000 - \$5,000. These fees are invoiced to the client and paid in full upon our delivery of the written financial plan. Fees for advisory services to retirement plans vary based on the nature and scope of the services for which we are engaged, and typically consist of annual asset-based fees (typically ranging from 0.10% - 0.50% of the market value of the plan's account) or fixed fees.

Our advisory fees do not cover any of the following costs, which shall be paid separately by the client, as applicable: customary transaction costs and brokerage commissions related to activity in the client's brokerage account; custodial fees, reporting charges, taxes, margin costs, wire transfer fees and other similar charges; the costs of any advisory fees charged by independent money managers; and any internal costs and fees charged in connection with investments in any mutual funds, ETFs, variable products, and/or alternative investments. Where an asset-based fee applies to your account, consider that the more assets you have in your account the more you will pay us, thus creating an incentive for us to encourage you to increase and/or maintain the level of assets in your account.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

*More detailed information about our advisory fees is contained in our Firm Brochure at Item 5.*

**Conversation Starter:** Ask us: "Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?"

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

**Example 1:** The value of your asset-based advisory fee account goes up, and while the annual percentage we charge may stay the same, the total compensation you pay us goes up proportionately.

**Example 2:** Your account value goes down, but you still must pay us an asset-based fee advisory fee proportional to your assets under management.

Some of our financial professionals are individually licensed to sell insurance products and services, may sell insurance products and services to clients, and collect additional compensation in the form of commissions or fees in connection with such transactions. The foregoing fees and commissions are separate from the fees you pay PWA for its advisory services. The receipt of these commissions and fees by our associated financial professionals creates a conflict of interest with our clients, insofar as it creates a financial incentive for such insurance licensed individuals to sell insurance products to clients. As fiduciaries, we will only transact insurance business with clients when fully disclosed, suitable, and appropriate. You are never obligated to use any of our financial professionals for the purchase of any insurance products or services.

*More detailed information related to these conflicts of interest is contained in our Firm Brochure at Items 5 and 10.*

**Conversation Starter:** Ask us: "How might your conflicts of interest affect me, and how will you address them?"

**How do your financial professionals make money?**

Our financial professionals are compensated with annual salaries and/or discretionary bonuses. Insurance licensed persons may also receive commissions and/or fees as described above.

*More detailed information related to these conflicts of interest is contained in our Firm Brochure at Items 5 and 10.*

#### **Item 4. Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

Yes. We encourage you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

**Conversation Starter:** Ask us: "As a financial professional, do you have any disciplinary history? For what type of conduct?"

#### **Item 5. Additional Information**

You can find additional information regarding our firm, including our Form ADV Part 2A by visiting <https://adviserinfo.sec.gov/firm/summary/117517>. You can obtain a copy of this relationship summary by visiting our website at [www.thinkpinnacle.com](http://www.thinkpinnacle.com) or by contacting us by telephone at 503-654-5100. We are always available to answer any of your questions.

**Conversation Starter:** Ask us: "Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?"