



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, 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 offer investment supervisory services to retail clients. These services are offered under either a "full service" arrangement or under 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 will recommend an initial investment portfolio and strategy to you and provide ongoing management and supervision of the taxable and non-taxable investment accounts you designate for our management 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). The investments we select for your account will be determined 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 recommend that all or a portion of your portfolio be managed by certain independent money managers and our discretionary authority extends to allow us to select, engage, and disengage such managers on your behalf. We will monitor your account(s) regularly, including any portion managed by independent money managers, 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) to be sure your holdings continue to align with your unique Investment Profile.

Clients who engage us on a "full service" basis receive financial planning and consulting services that are tailored to assist them with the management of their overall financial affairs. These additional services will address various topics relevant to your individual financial situation, and may include, as applicable and without limitation, retirement planning, insurance review, cash flow management/budgeting, debt management, estate planning, education funding, charitable gift planning, and other topics. 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. Clients who engage us under our "new investor" program do not receive these additional services. Financial planning and consulting services are also offered on a stand-alone basis, however, we do not provide any review or update of our recommendations following delivery to the client. Stand-alone financial planning clients will make all ultimate investment decisions and be responsible for the implementation and monitoring of their investments.

We primarily advise clients regarding investments in stocks, bonds, mutual funds, exchange-traded funds ("ETFs"), and variable products (life insurance and annuities). We may also provide advice regarding other instruments, such as U.S. government and municipal securities, money market accounts, the selection of independent money managers, and alternative investments. We may also provide advice on 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" investment supervisory services engagements, we typically charge annual asset-based fees ranging from 0.85% - 1.60% of the market value of the client's assets under our management. "New investor" investment supervisory engagements (restricted solely to new clients having assets under our management of less than \$100,000) pay an annual asset-based fee 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 services or access to alternative investments and require that the client set up a minimum automatic monthly deposit to their account. Annual fees for "full service" and "new investor program" investment supervisory services accounts 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 from \$3,000 - \$5,000. We may occasionally offer hourly fee arrangements for these services at rates up to \$250 per hour. The specific fee structure and rate is determined by us based upon the complexity of your assets and financial situation and our expectation of the time and resources necessary to complete our services. These fees are invoiced to the client and paid in full upon our delivery of the written financial plan or recommendations.

In addition to our advisory fees, client pay the following costs, 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, platform 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, please 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. In some instances, PWA, its financial professionals, and/or affiliate(s) may receive both trailing commissions and advisory fees related to insurance products sold to clients. This creates a further conflict of interest because the firm can be viewed as being compensated twice for recommending and monitoring the same underlying insurance product(s). 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.

Where in the client's best interests, we may recommend the purchase of certain privately offered alternative investments. Though we do not directly collect any fees from clients related to these investments, clients are advised that we may provide advisory services to the issuers of such alternative investments in exchange for their payment of fixed consulting fees. These arrangements create a financial incentive for our recommendation of the subject alternative investments and a conflict of interest that clients should consider before investing.

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 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 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 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?"



SUMMARY OF MATERIAL CHANGES

Since our last updated to this Client Relationship Summary dated March 8 2024, we have made the following material changes:

- Item 2 has been amended to disclose that our discretionary authority extends to allow us to select, engage, and disengage third-party money managers to assist us in the management of client assets.
- Item 3 has been amended to disclose that platform fees, if any, are borne by clients separate and apart from our advisory fees. Platform fees, if any, are charged by third-party investment platform sponsors and custodians and are not shared with PWA.