

Customer Relationship Summary - Form CRS - ADV Part 3

March 31, 2022

Item 1: Name and Registrations

ProfitScore Capital Management, Inc. (“ProfitScore” or “us” or “we” or the “firm”) is an investment adviser registered with the Securities and Exchange Commission (“SEC”) and a commodity trading adviser registered with the Commodity Futures Trading Commission (“CFTC”). Note that investment advisory services (such as we offer) and brokerage services and fees differ. Please note that www.investor.gov/crs provides free and simple tools to research firms and financial professionals and provides educational materials about broker-dealers, investment advisers, and investing.

Item 2: Relationships and Services

“What investment services and advice do you provide me?” ProfitScore offers quantitative investment strategies primarily for institutional investors. Mathematical models guide quantitative methods. We invest in stock and bond index funds that trade on electronic exchanges with daily price transparency. Our agreement gives us authority only to buy and sell investments within your account on your behalf. Client accounts are updated daily and visible to clients on custodians’ online portals. ProfitScore does not have custody of your account or assets. Only you can take funds from your account. You do authorize the custodian to have our fee deducted from the account.

While we manage some retail client accounts, we do not do financial planning, retirement planning, estate planning, or other planning for our clients. Others may offer planning services and a wider choice of investments, which may have lower costs. We do not represent that the strategies we manage are suitable for any particular investor or group of investors. Consulting with you, we make a good-faith effort to determine your risk tolerance and apply strategies expected to stay within those parameters. However, **past performance is not necessarily indicative of future results.** ProfitScore provides discretionary investment management services. That means we make investment decisions on your behalf, according to the strategies you select. We do not notify you of individual trading decisions beforehand or seek your consent at the time. However, you may see our actions daily in your custodian’s online system.

“What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?” Our professionals have more than 48 years of combined experience in this business, managing quantitative investment strategies for clients. You can find more about our qualifications in our [FORM ADV PART 2](#).

“Given my financial situation, should I choose an investment advisory service? Why or why not?” “How will you choose investments to recommend to me?” Please see above. Your specific questions can be answered by reviewing our [Form ADV Part 2](#) or sending your questions to Mr. Michael Mann at mike.mann@profitscore.com.

Item 3: Fees, Costs, Conflicts, and Standard of Conduct

“What fees will I pay?” Our Advisor fees are based upon an annual percent (%) of the market value of assets under ProfitScore’s management - between 1.95% and 2.95% -- and are generally not negotiable. Please get in touch with us for personalized information on the fees and expenses you will pay. You can also obtain information about fees and expenses in our [FORM ADV PART 2](#). The more assets you have in your advisory account, including cash, the more you will pay us. We, therefore, have the incentive to grow the assets in your account. Because we seek to reduce exposure to adverse markets, client accounts are not necessarily fully invested all the time. However, our fees compensate for managing the total amount of the account, whether fully invested or a portion is in cash. You authorize the custodian to have our fee deducted from your account. Whether you make or lose money on your investments, you will pay advisor fees. Fees and expenses will reduce any amount of money you make on your investments over time.

Please be sure you understand all the fees and costs you will pay:

- Our advisory fee is charged quarterly, in advance, based on the assets we manage on the last day of the quarter immediately preceding the billing period. This asset-based fee will reduce the value of your account and will be deducted directly from your account by our agreement.
- Investment administrative fees - Some investments charge expenses that reduce the value of assets over time. For example, mutual funds and exchange-traded products may charge for their management expenses. Their published

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performance includes reductions for those costs. Be aware of the expense ratios of these products;

- Sales fees - When certain investments are sold (i.e., redemption fees charged by some mutual funds);
- Transaction-based fees - Buying and selling fees charged by brokers for their services;
- Custody costs – The administrative costs of your custodian (the bank or broker-dealer that holds your account).

“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?” Contact Mr. Michael Mann, who will be happy to explain how fees and costs affect your account value - MIKE.MANN@PROFITSORE.COM.

“What are your legal obligations to me when acting as my investment advisor?” We must abide by specific laws and regulations in our interactions with you. To ensure that we do, we have written ethics policies acknowledged by employees. We must act in your best interests, which means we must put your interests ahead of ours. Yet advisors can make money in ways that could conflict with your interests. You should understand and ask advisors about these conflicts because they might affect investment advice.

“How might your conflicts of interest affect me, and how will you address them?” ProfitScore benefits financially only from the advisory fees you pay. However, common conflicts of interest for advisors include:

- Recommending investments that are issued, sponsored, or managed by them or an affiliate (affiliates are companies in which the advisor has an ownership interest). ProfitScore has no affiliates and no incentive to recommend or buy particular investments for you. Any third party does not pay us for buying or selling assets for your account.
- Buying investments from you or selling assets to you from their accounts (called “acting as principal”) where the advisor might influence the price. ProfitScore does not buy from or sell to you, eliminating this potential conflict.

We may be hired as trading advisors to mutual funds or hedge funds as institutional advisors. When we direct our retail client assets into those funds, we reduce retail client advisory fees by the revenue we receive from the funds for that investment, eliminating the conflict of interest. Please see our [FORM ADV PART 2](#) for more information.

“How do your financial professionals make money?” ProfitScore makes money only by providing the services discussed above. Our people are not paid commissions for sales or transactions, but only salaries and bonuses.

Item 4. Disciplinary History

“As a financial professional, do you have any disciplinary history? For what type of conduct?” We DO NOT have a disciplinary history. We encourage you to seek out additional information about us. You can obtain further information about us by reading our [FORM ADV \(PARTS 1 AND 2\)](#). We are obliged to disclose certain disciplinary and legal events, should any occur. Visit WWW.INVESTOR.GOV/CRS for a free and simple search tool to research our firm and financial professionals.

Item 5. Additional Information

“Who is my primary contact person? Are they 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?” Your primary contact person is Mr. John McClure. He is our Chief Investment Officer, and he is not a representative of any broker-dealer. You may call him at 800-496-4511 should you wish to discuss anything concerning your account. You can also send him an email at JOHN.MCCLURE@PROFITSORE.COM. Investment advisory services information can also be found in our [FORM ADV PART 2](#). You can obtain a copy of this Customer Relationship Summary at WWW.PROFITSORE.COM.