

## Introduction

Our firm, Pinnacle Advisory Group, Inc., is registered as an investment adviser with the U.S. Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## Relationships and Services

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

**Wealth Management Services:** We offer [investment advisory services](#) to retail investors who have individual, joint, retirement, charitable, trust and estate accounts. We take a comprehensive approach, combining financial planning and continuous investment management. Our focus is on you and is tailored to meet your individual needs. Our process begins by working closely with you to identify your investment goals and objectives, as well as risk tolerance and financial situation. We meet with you at least annually, or more frequently, depending on your preference. We also offer investment management and financial planning each as a stand-alone service.

**Investments:** We offer a variety of [risk-managed investment strategies](#) covering a range of risk profiles from conservative to aggressive. We primarily focus on an active investment management but also offer strategic, quantitative and environmentally conscious strategy options. These investment strategies are constructed by an internal investment team and monitored on a regular and continuous basis. We primarily use exchange-traded funds, money market funds, and mutual funds in constructing portfolios. One strategy we offer leverages an independent manager. We do not make available or offer advice on only proprietary products or a limited menu of products or types of investments.

**Investment Authority:** We provide our services on a perpetual and discretionary basis. We execute investment recommendations in accordance with your investment objectives without your prior approval of each specific transaction. Our engagement will continue until you notify us otherwise in writing.

**Account Minimums & Other Requirements:** We generally require a minimum relationship size of \$500,000. This amount may be waived or reduced at our sole discretion.

**Additional Information:** For more detailed information on our relationships and services, please see Item 4 – Advisory Services, Item 7 – Types of Clients and Item 13 – Review of Accounts in our Form ADV Part 2A available via our firm's [Investment Adviser Public Disclosure Page](#).

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

## Fees, Costs, Conflicts, and Standard of Conduct

### What fees will I pay?

**Asset-Based Fees:** Our asset-based fees for combined financial planning and investment management services or stand-alone investment management range from 0.30% to 1.30% annually based on a tiered schedule. This fee is collected in advance on a quarterly basis and calculated as a percentage of the value of the investments and cash in your account[s] that we manage. This presents a conflict of interest as we are financially incentivized to encourage you to place more assets in your advisory account as you will ultimately pay more in advisory fees. As your assets grow, your annual effective fee may decrease. See our [website](#) for further detail.

**Fixed and Hourly Fees:** Fixed or hourly fees are charged for financial planning advice not paired with investment management services. Fees are determined by the nature and complexity of the engagement and the overall relationship with us. Our hourly fees are at a rate of up to \$400 per hour and fixed fees usually range from \$5,000 up to \$10,000. We collect fees in a single installment or in two separate installments. We provide you with an estimate for total hours and overall costs prior to engaging us for these services.

**Other Fees & Costs:** In addition to our advisory fee, you will be responsible for mutual fund company and ETF issuer expense ratio and any applicable custodian transaction or account maintenance fees. For accounts designated to a third-party money manager, you will be responsible for an additional fee calculated by the third-

party. All additional fees are directly deducted from your account. We do not receive any compensation for these fees.

**Additional Information: 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. For more detailed information on our fees, please see Item 5 – Fees and Compensation of our Form ADV Part 2A available via our firm’s [Investment Adviser Public Disclosure Page](#) or [website](#).

**Conversation Starters:** *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 adviser? How else does your firm make money and what conflicts of interest do you have?

*When we act as your investment adviser, we have to act in your best interest and not put our interests 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 is an example to help you understand what this means.*

We will recommend that you open your account with Schwab, Fidelity or TD Ameritrade, where we maintain an institutional relationship and receive economic benefits such as reduced cost of investment research and/or access to institutional platforms. The receipt of economic benefits presents a conflict of interest and can influence our recommendation of the custodian to you. However, you ultimately decide where to open your accounts. Choosing a different custodian may result in the loss of quality of service and/or ability to obtain favorable prices.

**Additional Information:** For more detailed information, please see Item 10 – Financial Industry Activities and Affiliations, Item 12 – Brokerage Practices and Item 14 – Client Referrals and Other Compensation of our Form ADV Part 2A available via our firm’s [Investment Adviser Public Disclosure Page](#).

**Conversation Starters:** *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 based on an agreed-upon annual salary and/or they receive compensation based on the revenue generated from the accounts they service and directly develop. This means financial professionals have an incentive to increase the asset size in the relationship or develop new business, taking time away from the day-to-day servicing of existing clients.

## Disciplinary History

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

No. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and financial professionals.

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

## Additional Information

You can find additional information about our investment advisory services by viewing our Form ADV Part 2A available on our firm’s [Investment Adviser Public Disclosure Page](#) or [website](#). You can request up to date information and a copy of our client relationship summary by contacting us at [compliance@pinnacleadvisory.com](mailto:compliance@pinnacleadvisory.com) or (410) 995-6630.

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