

Customer Relationship Summary - Form CRS - ADV Part 3

November 30, 2023

Item 1: Name and Registrations

ProfitScore Capital Management, Inc. 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”). ProfitScore is changing its investment advisor registration and regulation to the State of Idaho Department of Finance. Note that investment advisory services (such as we offer) and brokerage services differ. Please note that free and simple tools are available to research firms and financial professionals at WWW.INVESTOR.GOV/CRS, which provides educational materials about investment advisers, broker-dealers, 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. Quantitative strategies are those guided by mathematical models. We invest in major stock and bond index instruments that trade on electronic exchanges with daily price transparency. Client accounts are visible and updated daily in custodians’ online portals. ProfitScore does not take custody of client assets or accounts, meaning only the client can take funds from their account. Our agreement gives us authority only to buy and sell investments in your account on your behalf. You authorize your 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 kinds of planning for our clients. Other firms may offer planning services and a wider choice of investments, which may have lower costs. We do not represent that our strategies suit any investor or group. In consultation with you, we make a good-faith effort to determine your risk tolerance and apply strategies that stay within those parameters. However, past performance and risks of our strategies are not necessarily indicative of future performance and risks. ProfitScore’s investment management services are discretionary. That means we make investment decisions on your behalf, according to selected strategies. We do not notify you of individual trading decisions. 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 by 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 contact us for personalized information on the fees and costs you will pay. You can also obtain information about fees and costs in our [FORM ADV PART 2](#). Fees and costs affect the value of your account over time. The more assets you have in your advisory account, including cash, the more you will pay us. This is an incentive for us to grow the assets in your account. You pay our fee quarterly, even if we do not buy or sell anything using our discretionary authority. The fee will be paid via your custodian. You will pay advisor fees whether you make or lose money on your investments. Fees and costs will reduce any money you make on your investments over time.

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

- ProfitScore may charge an advisory fee quarterly, according to our agreement. It is based on the assets we manage for you on the last day of a quarter and paid in advance for the following quarter. This fee reduces the value of your account and is deducted directly from your account.
- Investment administrative fees - Some investments charge expenses that reduce the value of investments over time. For example, mutual funds and exchange-traded products may charge for their management expenses. Their

published 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 to you how fees and costs affect your account value - MIKE.MANN@PROFITSCORE.COM.

“What are your legal obligations when acting as my investment advisor?” We must abide by certain laws and regulations in our interactions with you. To ensure 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 the investment advice provided to you.

“How might your conflicts of interest affect me, and how will you address them?” ProfitScore benefits financially from advisory fees you pay but does not receive sales or trading transaction-based compensation that might influence product selection and trading. Other common conflicts of interest for advisors include:

- Recommending investments issued, sponsored, or managed by them or an affiliate (affiliates are companies in which the advisor has an ownership interest). ProfitScore has no ownership or affiliate incentive to recommend or buy investments for you.
- Buying investments from you or selling investments to you from their own accounts (called “acting as principal”) where the advisor might influence the price. We do not buy from or sell to you, eliminating this potential conflict.
- As an institutional advisor, ProfitScore may be hired as a trading advisor to mutual funds or funds in which they invest. When we direct retail client assets into those funds, we reduce our advisory fees to mitigate 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, only salaries and bonuses for their work.

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 additional 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 our financial professionals.

Item 5. Additional Information

“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 treats 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 us at 208-472-8849 to discuss anything concerning your account. You can also send him an email at JOHN.MCCLURE@PROFITSCORE.COM. Additional information about our investment advisory services can be found in our [FORM ADV PART 2](#). You can obtain a copy of this Relationship Summary at WWW.PROFITSCORE.COM.