

Herring RIA Sub, LLC Form CRS

July 10, 2023

Introduction

Herring RIA Sub, LLC ("PB Adviser", "we", or "our") is registered with the Securities and Exchange Commission as an investment adviser. Fees for brokerage and investment advisory services differ among broker-dealers and investment advisers and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer an automated internet investment advisory service that provides portfolio management services and goals-based planning tools exclusively through an online interface and application accessible via mobile devices. Our investment advisory service is part of a membership program offered by Herring Labs, Inc. ("Playbook"), which consists of two tiers: Playbook Essential and Playbook Plus. Playbook is not a registered investment adviser. We will match you with a portfolio of exchange-traded funds ("ETFs") and corresponding asset allocation model portfolio based on a risk score that is calculated according to your stated goals, risk tolerance and time horizon. The investment advice we provide is based on a limited universe of broad market index-based ETFs. In addition, for clients who subscribe to Playbook Plus, PB Advisor offers Tax Loss Harvesting, Asset Location, and "Smart Withdrawal" services; these are described in detail in our Form ADV. We do not offer proprietary products. Our goals-based planning is focused on maximizing annual contributions to tax advantaged accounts and building strategies to lower clients' taxable income. We do not provide comprehensive financial planning services. As you add funds to your investment account, they will be invested in accordance with the model you have selected. We monitor discretionary managed accounts, but are not responsible for monitoring or updating goals-based planning on an ongoing basis. Note that Playbook will not rebalance the portfolio in your account until it meets the minimum account balance of \$350 to trigger rebalancing (the "Rebalance Minimum"). The Rebalance Minimum is in place because the custodian and broker-dealer has trading minimums of \$5 per asset, per account. Accounts below the Rebalance Minimum will not trigger rebalancing if they cannot clear the \$5 minimum for all positions in the selected model.

You should carefully review our [Form ADV, Part 2A Brochure](#), particularly Items 4, 7 and 8, to understand the services we provide.

Throughout this document, you will see various questions designed to help you better understand our services, including the following:

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?

The responses to these questions can be found at [Playbook Investment FAQ](#).

What fees will I pay?

We do not charge an advisory fee on your assets invested through the Playbook platform. However, Playbook automatically charges a fee (the "Membership Fee"), in advance, based on the membership level that you select. For Playbook Plus members, Playbook charges either (i) a fixed monthly fee of \$59, or (ii) a fixed annual fee of \$348, to every member with an active Playbook membership account. For Playbook Essential members, Playbook charges either (i) a fixed monthly fee of \$19, or (ii) a fixed annual fee of \$180. To activate your Playbook membership, you are required to have an active credit card linked to your account to pay the Membership Fee. You select the membership level and either monthly or annual billing when you activate your Playbook membership. If you terminate within seven days of activation, you will receive a full refund. Otherwise, regardless of whether monthly or annual billing is selected, the Membership Fee will not be prorated if you cancel your membership before the end of the billing cycle you have selected. The annual option will result in a lower Membership Fee for you relative to the monthly fee if you maintain an active Playbook Plus membership for at least six months or Playbook Essential membership for at least ten months. You may also move from Plus to Essential, or vice versa, at any time. If you choose to upgrade, you will be charged a pro-rated amount. If you elect to downgrade, you will maintain your Plus membership until the next billing date. You are not

required to open or maintain an advisory account with PB Adviser in order to participate in the Playbook membership program. There is no minimum balance necessary to join the Membership Program. However, in order to use Playbook's investment advisory services, you must open and maintain a minimum \$50.00 balance in any Advisory Accounts.

In addition to the Membership Fee, you may incur additional fees and costs imposed by custodians, brokers, and other third parties related to the investments in your account, such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions, internal management fees of exchange traded funds, and other product related fees.

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.

Please refer to our [Form ADV, Part 2A Brochure](#), particularly Item 5, for more detailed information about our fees and your investment costs.

Ask us questions to help you better understand the impact of fees and costs on investments: *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 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 is an example to help you understand what this means.

Please refer to our [Form ADV, Part 2A Brochure](#), particularly Items 10 and 12, for more detailed information about our conflicts of

Because Playbook receives fees from you for your participation on the Playbook platform, we have an incentive to encourage you to maintain an advisory account with us.

Ask us questions to help you better understand our conflicts of interest: *How might your conflicts of interest affect me, and how will you address them?*

How do your financial professionals make money?

Our financial professionals receive a salary and a discretionary bonus based on their individual performance and the success of the firm. The discretionary bonus may be paid in cash or equity shares of Playbook.

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

No, please visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and your financial professional.

You are encouraged to ask us questions including the following to help you better understand our disciplinary history: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information

Please refer to our [Form ADV, Part 2A Brochure](#) for more information about our services. You may request updated information and a copy of our Relationship Summary by contacting us at 415-805.2040 and hello@helloplaybook.com. Answers to the questions we have encouraged you to ask us are on our website under [Playbook Investment FAQ](#).

You are encouraged to ask us questions including the following to help you better understand who to contact with any questions or complaints: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

Amended Form CRS Schedule
Herring RIA Sub, LLC
SUMMARY OF MATERIAL CHANGES EXHIBIT

July 10, 2023

This is a Summary of Material Changes to our Form CRS, which describes the material changes since our Form CRS was last filed on June 15, 2023. Changes to our Form CRS include the following:

- Minimum account size: There is no minimum balance necessary to join the Membership Program. However, in order to use Playbook’s investment advisory services, you must open and maintain a minimum \$50.00 balance in any Advisory Accounts.
- Rebalancing Minimum: As you add funds to your investment account, they will be invested in accordance with the model you have selected. We monitor discretionary managed accounts, but are not responsible for monitoring or updating goals-based planning on an ongoing basis. Note that Playbook will not rebalance the portfolio in your account until it meets the minimum account balance of \$350 to trigger rebalancing (the “Rebalance Minimum”). The Rebalance Minimum is in place because the custodian and broker-dealer has trading minimums of \$5 per asset, per account. Accounts below the Rebalance Minimum will not trigger rebalancing if they cannot clear the \$5 minimum for all positions in the selected model.