

Park Ridge Asset Management LLC

Form CRS - Customer Relationship Summary as of May 4, 2020

Park Ridge Asset Management LLC (“PRAM” or “us”, “we”), is providing this Customer Relationship Summary as part of Regulation Best Interest. Throughout this summary we have called out some “conversation starters” which you may want to discuss with us as you get to know us better, which are identified throughout this document.

PRAM is a federally registered investment advisor with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available for you to research firm and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers and investing.

What investment services and advice can you provide me?

PRAM offers investment advisory services to retail investors in the form of discretionary managed investment accounts and investment/retirement planning. Planning services are offered as part of all discretionary investment relationships, or can be provided separately with a non-discretionary investment relationship. Discretionary managed accounts are continually monitored by PRAM and are managed consistent with a client’s agreed upon investment objective. We seek, at least annually, to conduct a review with each client. Under PRAM’s discretionary authority, we make portfolio purchase and sale decisions without obtaining your consent prior to trading. PRAM makes client portfolio adjustments due to changes in: the market environment; selected investment vehicles; or the client’s financial situation, risk profile and objective.

PRAMs typical investment execution is through mutual funds, ETFs, and individual equity and fixed income securities selected and monitored by PRAM and combined into a customized portfolio for each client. PRAM selects and monitors investments through a rigorous quantitative and qualitative process that relies on the experience of the PRAM Partners. Both of the Partners hold the Chartered Financial Analyst® designation and each have over two decades of investment experience.¹

PRAM requires a relationship minimum of \$500,000 for discretionary management services and can waive this account minimum. *You can learn more about our services by reviewing Item 4 of Form ADV, Part 2A (Firm Brochure) which should be made available to you prior to or at the time of account opening and can be found at <https://adviserinfo.sec.gov/Firm/147827>.*

What fees will I pay?

For discretionary managed accounts, PRAM charges fees based on a percentage of the fair market value of your assets under management at the end of the calendar quarter, paid in advance, subject to a minimum fee of \$1,250 a quarter. Clients that engage in non-discretionary consulting with PRAM for services like: recommendations for asset allocation, investment planning and reviews of existing portfolios and investments are billed an hourly fee, subject to a minimum fee of \$1,000. The fees for your account will be defined in your investment advisory contract and our Firm Brochure. PRAM can waive any minimum fee and/or charge a lesser fee based upon certain criteria such as anticipated future assets, type of assets being managed, related

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?**

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 be invested for me?**

accounts, the type of services offered, etc. PRAM fees do not include custodial service fees, trading fees or other transaction-based fees, as well as fees and expenses charged by mutual funds and exchange-traded funds.

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. Fees and costs related to PRAM's services are described in Item 5 of the Firm's Brochure.

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 interests 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 are some examples to help you understand what this means.

Advisor Fees and Insurance Products: Our primary income is from our asset-based investment advisory fee. We make more money when the account grows, you make deposits or combine other accounts with us. If you have a need for life or long-term care insurance we may recommend an insurance product as a solution. A partner at PRAM is licensed to sell life and health insurance and any commissions earned on sales of these products will be retained by PRAM.

Services Provided to PRAM by the Custodian of Your Assets: PRAM recommends clients custody their accounts with Charles Schwab & Co. (Schwab). Clients will separately contract with Schwab for custody and other account services. Certain services are provided to PRAM by Schwab, as they maintain custody of your account assets. The availability of these services benefits us because we do not have to produce or purchase them. The client asset threshold required to receive these services may give us an incentive to recommend you to custody with Schwab. We believe, however, that our selection of this custodian is in your best interest.

How do your financial professionals make money?

The partners at PRAM are compensated from the quarterly asset-based advisory fee charged to your account and the non-discretionary fees earned from completed planning projects. Our asset-based fees rise and fall with the value of accounts at quarter-end, so therefore we may have an incentive to encourage you to increase the level of assets in your account. One of the partners at PRAM is also licensed to sell life and health insurance and these commissions also are retained by PRAM.

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

No. Disclosure information regarding investment advisers is available at: <https://adviserinfo.sec.gov/IAPD/IAPDSearch.aspx>

Additional information regarding PRAM and its services is available on our Part 2A brochure <https://adviserinfo.sec.gov/Firm/147827>. You can also call Keith Karlawish at 919-896-6150 for a copy of this Customer Relationship Summary or look on our website www.parkridgeam.com.

Conversation Starters

- **How might your conflicts of interest affect me, and how will you address them?**

Conversation Starters

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

¹ The Chartered Financial Analyst Designation® is the property of the CFA Institute.