

**FORM ADV PART 2A
DISCLOSURE BROCHURE**

**Proactive Capital Management,
Inc.**

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This brochure provides information about the qualifications and business practices of Proactive Capital Management, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 785-215-8080. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Proactive Capital Management, Inc. (CRD #297791) is available on the SEC's website at www.adviserinfo.sec.gov

January 22, 2024

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

The material changes in this brochure from the last annual updating amendment of Proactive Capital Management, Inc. on 01/27/2023 are described below. Material changes relate to Proactive Capital Management, Inc.'s policies, practices or conflicts of interests.

- Proactive Capital Management, Inc. has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.
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Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

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Form ADV – Part 2A – Firm Brochure

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Item 4: Advisory Business

Firm Description

Proactive Capital Management, Inc. ("PCM") was founded in 2018. Cory McPherson, President/CEO and Chief Compliance Officer, is the sole owner of PCM.

Types of Advisory Services

ASSET MANAGEMENT

PCM offers discretionary asset management services to advisory Clients. PCM will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize PCM discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, a thorough review of all applicable topics including but not limited to, Wills, Estate Plans and Trusts, Investments, Taxes, Qualified Plans, Insurance, Retirement Income, Social Security, College Planning and Divorce Planning will be reviewed. If a conflict of interest exists between the interests of PCM and the interests of the Client, the Client is under no obligation to act upon PCM's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through PCM. Financial plans will be completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation.

ERISA PLAN SERVICES

PCM provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. PCM may act as either a 3(21) or 3(38) advisor:

Limited Scope ERISA 3(21) Fiduciary. PCM may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor PCM has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using PCM can help the plan sponsor delegate responsibilities by following the diligent process outlined below:

1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. PCM acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the

ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.

- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands PCM's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, PCM is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

PCM may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

3. PCM has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to PCM on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure. **ERISA 3(38) Investment Manager.** PCM can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets.

PCM would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- PCM has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.
- Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands the PCM's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, the PCM is not providing fiduciary advice as defined by ERISA to the Plan participants. PCM will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

PCM may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between PCM and Client.

3. PCM has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to the Adviser on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

SEMINARS AND WORKSHOPS

PCM holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

Wrap Fee Programs

PCM does not sponsor any wrap fee programs.

Client Assets under Management

\$ 143,707,186 as of 12.31.2023

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

ASSET MANAGEMENT

PCM offers discretionary direct asset management services to advisory Clients. PCM charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Quarterly Fee
\$0 to \$250,000	1.50%	.375%
\$250,001 to \$750,000	1.25%	.3125%
\$750,001 to \$2,500,000	1.00%	.25%
Over \$2,500,001	0.75%	.1875%

This is a tiered or breakpoint fee schedule, the entire portfolio is charged the same asset management fee. For example, a Client with \$750,000 under management would pay \$9,375 on an annual basis. $\$750,000 \times 1.25\% = \$9,375$.

The annual fee may be negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed quarterly in advance based on the amount of assets managed as of the close of business on the last business day of the previous quarter. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

FINANCIAL PLANNING AND CONSULTING

PCM charges a fixed fee of up to \$2,500 for financial planning. Prior to the planning process the Client will be provided an estimated plan fee. Services are completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to PCM. PCM reserves the right to waive the fee should the Client implement the plan through PCM.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, PCM shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of PCM for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. PCM does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, PCM will disclose this compensation, the services rendered, and the payer of compensation. PCM will offset the compensation against the fees agreed upon under the Agreement.

SEMINARS AND WORKSHOPS

PCM does not charge a fee for attendance to these seminars.

Client Payment of Fees

Investment management fees are billed quarterly in advance, meaning that we invoice you before the billing period. Fees are usually deducted from a designated Client account to facilitate billing. The Client must consent in advance to direct debiting of their investment account.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

PCM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include mutual fund transaction fees, postage and handling and miscellaneous fees.

For more details on the custodian practices, see Item 12 of this brochure.

Prepayment of Client Fees

Investment management fees are billed quarterly in advance.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

Fees for ERISA 3(21) and/or 3(38) services may be billed in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to PCM.

External Compensation for the Sale of Securities to Clients

PCM does not receive any external compensation for the sale of securities to Clients, nor do any of the investment advisor representatives of PCM.

Item 6: Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

PCM does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for PCM to recommend an investment that may carry a higher degree of risk to the Client.

Item 7: Types of Clients

Description

PCM generally provides investment advice to individuals, high net worth individuals, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

PCM typically requires a minimum of \$250,000 to open an account. In certain instances, the minimum account size may be lowered or waived.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include fundamental analysis, technical analysis, charting, and cyclical analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

In developing a financial plan for a Client, PCM's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to PCM. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy. Other strategies may include long-term purchases and short-term purchases.

Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with PCM:

- *Market Risk:* The prices of securities held by mutual funds in which Clients invest may decline in response to certain events taking place around the world, including those

directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the Client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Investment Companies Risk:* When a Client invests in open end mutual funds or ETFs, the Client indirectly bears their proportionate share of any fees and expenses payable

directly by those funds. Therefore, the Client will incur higher expenses, which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which Client invests.

- *Long-term purchases:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.

The specific risks associated with financial planning include:

- Risk of Loss
 - Client fails to follow the recommendations of PCM resulting in loss
 - Client has changes in financial status or lifestyle and therefore plan recommendations are no longer valid.

Item 9: Disciplinary Information

Criminal or Civil Actions

PCM and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

PCM and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

PCM and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of PCM or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

PCM is not registered as a broker-dealer and no affiliated representatives of PCM are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither PCM nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Investment Advisor Representatives of PCM do not have any outside business activities that would cause any conflict of interest.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

PCM does not select or recommend other investment advisors.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics Description

The affiliated persons (affiliated persons include employees and/or independent contractors) of PCM have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of PCM affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of PCM. The Code reflects PCM and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

PCM's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of PCM may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

PCM's Code is based on the guiding principle that the interests of the Client are our top priority. PCM's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to “access” persons. “Access” persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

PCM will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

PCM and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

PCM and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide PCM with copies of their brokerage statements.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

PCM does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide PCM with copies of their brokerage statements.

Item 12: Custodian Practices

Factors Used to Select Custodians for Client Transactions

PCM does not use broker-dealers. Our select custodians execute all transactions. PCM will select appropriate custodian based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. PCM relies on its custodians to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by PCM.

- *Directed Brokerage*

PCM does not allow clients to directed brokerage accounts.

- *Best Execution*

Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a custodian involves a number

of considerations and is subjective. Factors affecting custodian selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to affect the transaction where a large block is involved, the operational facilities of the custodian, the value of an ongoing relationship with such custodian and the financial strength and stability of the custodian. The firm does not receive any portion of the trading fees.

- *Soft Dollar Arrangements*
PCM does not receive soft dollar benefits.

Aggregating Securities Transactions for Client Accounts

PCM is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of PCM. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Account reviews are performed quarterly by the Chief Compliance Officer of PCM. Account reviews are performed more frequently when market conditions dictate. Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, PCM suggests updating at least annually.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

Content of Client Provided Reports and Frequency

Quarterly or monthly performance reports are provided by PCM. Account statements are issued by PCM's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

PCM does not receive any economic benefits from external sources.

Advisory Firm Payments for Client Referrals

PCM does not compensate for Client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by PCM.

PCM is deemed to have custody because advisory fees are directly deducted from Client's accounts by the custodian on behalf of PCM and PCM has authority to send funds to client's bank accounts or mailed checks to address on record.

Item 16: Investment Discretion

Discretionary Authority for Trading

PCM requires discretionary authority to manage securities accounts on behalf of Clients. PCM has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. PCM does not have discretionary authority for Consulting Services on Company Retirement Plans.

PCM allows Client's to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. Such restrictions could include only allowing purchases of socially conscious investments. These restrictions must be provided to PCM in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. PCM does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

Item 17: Voting Client Securities

Proxy Votes

PCM does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, PCM will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because PCM does not serve as a custodian for Client funds or securities and PCM does not require prepayment of fees of more than \$1200 per Client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

PCM has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

Bankruptcy Petitions during the Past Ten Years

PCM has not had any bankruptcy petitions in the last ten years.

Item 1 Cover Page

SUPERVISED PERSON BROCHURE

FORM ADV PART 2 B

Cory Mason McPherson, RICP®

Proactive Capital Management, Inc.

Office Address:

1414 SW Ashworth PL,
Suite 200
Topeka, KS 66604

Tel: 785-215-8080

Fax: 785-430-5301

Cory@pcmks.com

Website: www.pcmks.com

This brochure supplement provides information about Cory M. McPherson and supplements the Proactive Capital Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Cory M. McPherson if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Cory M. McPherson (CRD #6632861) is available on the SEC's website at www.adviserinfo.sec.gov.

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure Cory Mason McPherson, RICP®

- Year of birth: 1987
-

Item 2 - Educational Background and Business Experience

Educational Background:

- Kansas State University; Bachelor of Science, Business Finance; 2010

Professional Certifications

Cory McPherson has earned certifications and credentials that are required to be explained in further detail.

Retirement Income Certified Professional® - (RICP®) certification: certification is awarded by The American College of Financial Services, candidates must:

- Complete RICP® coursework within five months from the date of initial enrollment.
 - Complete three in-depth online courses.
 - Meet the experience requirements: Three years of full-time business experience within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience.
 - Sign and agree to abide by a Code of Ethics.
 - Pass an exam administered by Pearson VUE Testing Center. Minimum test score 70%.
 - When you achieve the RICP® designation, you are subject to the PACE Recertification Program earning 15 credit hours of educational activities in subject matter that is acceptable to PACE Recertification every two years. Business Experience:
-

- Proactive Capital Management, Inc.; Investment Advisor Representative; 07/2018 - Present
 - Legacy Financial Strategies, LLC; Investment Advisor Representative; 07/2017 - 07/2018
 - AE Wealth Management, LLC; Investment Advisor Representative; 05/2016 - 07/2017
 - Advisors Excel; Analyst; 01/2011 - 06/2017
 - McPherson Wrecking Inc.; Operator; 01/2006- 12/2010
-

Item 3 - Disciplinary Information

Criminal or Civil Action: None to report.

Administrative Proceeding: None to report.

Self-Regulatory Proceeding: None to report.

Item 4 - Other Business Activities Engaged In

Cory McPherson is co-owner of 1813 Properties, LLC, which owns residential real estate properties.

Cory McPherson is a Finance Committee Member of the Grantville United Methodist Church.

Item 5 - Additional Compensation

Mr. McPherson receives no additional compensation in any capacity, nor does he receive any performance-based fees.

Item 6 - Supervision

As the Chief Compliance Officer of Proactive Capital Management, Inc., Cory McPherson supervises all duties and activities of the firm. Cory McPherson's contact information is on the cover page of this disclosure document. Cory McPherson adheres to applicable regulatory requirements, together with all policies and procedures outlined in the firm's code of ethics and compliance manual.

Item 1 Cover Page

SUPERVISED PERSON BROCHURE

FORM ADV PART 2 B

James Norman Reardon, J.D., CFP®

Proactive Capital Management, Inc.

Office Address:

1414 SW Ashworth PL,
Suite 200
Topeka, KS 66604

Tel: 785-215-8080

Fax: 785-430-5301

jim@pcmks.com

Website: www.pcmks.com

This brochure supplement provides information about James N. Reardon and supplements the Proactive Capital Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact James N. Reardon if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about James N. Reardon (CRD #1186862) is available on the SEC's website at www.adviserinfo.sec.gov.

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure James Norman Reardon, J.D., CFP®

- Year of birth: 1942
-

Item 2 - Educational Background and Business Experience

Educational Background:

- Kansas State University; Bachelor of Science, Secondary Education; 1966
 - Washburn University School of Law; Juris Doctorate 1973
 - Business Experience:
 - Proactive Capital Management, Inc.; Investment Advisor Representative; 08/2018 - Present
 - Legacy Financial Strategies, LLC; Investment Advisor Representative; 01/2015 - 07/2018
 - Peoples Wealth Management, LLC; Owner; 06/2003 - 01/2015
 - VSR Advisory Services; Investment Advisor Representative; 02/2003 - 01/2015
 - Commerce Financial Services Inc, (a division of Commerce Bank & Trust) Vice President, 04/2000-06/2003
 - VSR Financial Services, Inc.; Registered Representative; 06/2000 - 01/2015
-

Professional Certifications

James Reardon has earned certifications and credentials that are required to be explained in further detail.

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with Clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and Client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients. CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Professional Licenses

James Reardon retains a Kansas Attorneys license. It has been in inactive status for several years. He no longer practices law.

- Continuing Education Requirement: – Complete 24 hours of approved continuing education hours every two years, including two hours on the *Code of Ethics* and keep up with developments in the insurance field.

James Reardon has retained an active Kansas Insurance License for advisory purposes only. He no longer sells insurance products.

Mr. Reardon retains a Kansas Real Estate Broker’s License. It has been in inactive status for many years. He no longer sells real estate.

Item 3 - Disciplinary Information

Criminal or Civil Action: None to report.

Administrative Proceeding: None to report.

Self-Regulatory Proceeding: Mr. Reardon has never had a regulatory complaint or claim in over 25 years as a financial services professional.

On October 20, 2000, Mr. Reardon failed to pay his annual Continuing Legal Education Fee in a timely manner and his license to practice law was suspended for a total of 35 days until the fee was paid on December 4, 2000. At the time, he was not engaged in the active practice of law and he had no active cases. This is his only regulatory infraction since he was licensed to practice law in April of 1973. His status is now inactive.

Item 4 - Other Business Activities Engaged In

James Reardon does not have any other business activities; therefore, this represents no conflicts of interest.

Item 5 - Additional Compensation

Mr. Reardon receives no additional compensation in any capacity, nor does he receive any performance-based fees. He retains a Kansas Insurance Agent's license for advisory purposes only. He no longer sells insurance products.

Item 6 - Supervision

James Reardon is supervised by Cory McPherson. Mr. McPherson reviews Mr. Reardon's work through client account reviews and quarterly personal transaction reports, as well as face-to-face and phone interactions.

Mr. McPherson's can be contacted at 785-215-8080 or by email at cory@pcmks.com.

Item 1 Cover Page

SUPERVISED PERSON BROCHURE

FORM ADV PART 2 B

Kevin N. Tucker, CFP®

Proactive Capital Management, Inc.

Office Address:

1414 SW Ashworth PL,
Suite 200
Topeka, KS 66604

Tel: 785-215-8080

Fax: 785-430-5301

Kevin@pcmks.com

Website: www.pcmks.com

This brochure supplement provides information about Cory M. McPherson and supplements the Proactive Capital Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Cory M. McPherson if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Cory M. McPherson (CRD #6632861) is available on the SEC's website at www.adviserinfo.sec.gov.

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure – Kevin N. Tucker, CFP®

- Year of birth: 1950
-

Item 2 - Educational Background and Business Experience

Educational Background:

- Washburn University; Attended 1976-1980

Experience:

- IA Rep, Cambridge Investment Research Advisors Inc, 02/2011 - Present
 - Registered Rep, Cambridge Investment Research Inc, 08/1998 - Present
 - Self-Employed Tax Prep & Insurance. Tucker Financial Services, 01/1993 - Present
 - IA Rep, Tucker Financial Services, 01/1993 – 05/2011
 - Reg Rep, Securities America, Inc, 01/1992 – 07/1998
 - Registered Rep, Reeves and Company, Investments and Securities, Inc, 06/1987-01/1992
 - Self-Employed Tax Prep/Insurance, Tucker, Rohleder, & Assoc, 05/1987-12/1992
-

Professional Certifications

Kevin N. Tucker has earned certifications and credentials that are required to be explained in further detail.

CFP® - Certified Financial Planner

- Individuals certified by CFP® Board have taken the step to demonstrate their professionalism by voluntarily submitting to the CFP® certification process that includes thorough education, examination, experience, and ethical requirements. The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. Prerequisites require a designee to hold a Bachelor's degree (or higher) from an accredited college or university as well as three years of full-time personal financial planning experience.
- The designee is then required to complete a CFP® board registered program, or hold one of the following designations: CPA, ChFC, CLU, CFA, PH.D. in business or economics, Doctor of Business Administration, or Attorney's License. The designee is then required to complete the CFP® certification examination. In addition, the designee is required to complete 30 hours of continuing education every two years.
- Certified Financial Planner Board of Standards, Inc. (CFP Board) owns the CFP® certification mark, the CERTIFIED FINANCIAL PLANNER™ certification mark, and the CFP® certification mark (with plaque design) logo in the United States, which it authorizes use of by individuals who successfully complete CFP Board's initial and ongoing certification requirements.

Item 3 - Disciplinary Information

Criminal or Civil Action: None to report.

Administrative Proceeding: None to report.

Self-Regulatory Proceeding: None to report.

Item 4 - Other Business Activities Engaged In

In addition to serving as your investment advisory representative, Kevin Tucker is engaged in the following business activities:

- Board Member of a Non-Public Entity- Catholic Foundation of Northeast Kansas
- Board Member of a Non-Public Entity- Most Pure Heart of Mary Catholic Church Foundation
- Resident rental property- No name

There are certain business activities in which an investment advisor representative can engage that present potential conflicts of interest. If applicable, additional disclosure relevant to your Advisor's outside business activities are outlined below. Please note that these are potential conflicts of interest, and it is your Advisor's fiduciary duty to act in your best interest. If you have any questions about the disclosures, please ask your Advisor as this is an opportunity to better understand your relationship and your Advisor's activities.

Your Advisor is independently licensed to sell insurance and annuity products through various insurance companies. When acting in this capacity, your Advisor will receive commissions for selling insurance and annuity products. Clients can choose any independent insurance agent and insurance company to purchase insurance products and are not obligated to purchase insurance products through your Advisor. Regardless of the insurance agent selected, the insurance agent or agency receives normal commissions from the sale. The receipt of compensation and other potential incentive benefits creates an incentive to recommend products to clients. At the time of any recommendations your Advisor will discuss the products, your needs, and any compensation arrangements.

Item 5 - Additional Compensation

Kevin N. Tucker does not receive any performance-based fees.

Item 6 - Supervision

Kevin N. Tucker is supervised by Cory McPherson. Mr. McPherson reviews Mr. Tuckers' work through client account reviews and quarterly personal transaction reports, as well as face-to-face and phone interactions.

Mr. McPherson can be contacted at 785-215-8080 or by email at cory@pcmks.com.
