

Baker Ellis Asset Management LLC  
Client Relationship Summary  
April 23, 2020

## Item 1: Introduction

Baker Ellis Asset Management LLC (our “firm”, “we”, “us”) is registered with the Securities and Exchange Commission as an Investment Advisor.

Brokerage and investment advisory services and fees differ, and it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

## Item 2: Relationships and Services

*Q: What investment services and advice can you provide me?*

Our firm offers investment advisory services to retail investors on a discretionary basis, which means we conduct independent research on a wide range of potential investments and have the authority to buy and sell securities on your behalf. We manage your account according to your objectives, risk tolerance and unique circumstances. We manage each account individually rather than as part of a fund or model portfolio. You have the option to instruct us to avoid holding a particular security, industry or investment vehicle. We generally require a minimum account size of \$1 million; however, we may make exceptions. We review, monitor and make adjustments to your account on an ongoing basis and consult with you to make sure we are managing your account appropriately for your needs.

For additional information regarding our services, please see sections of our [Form ADV Part 2A](#) relating to Advisory Business, Types of Clients, and review of accounts.

### **Conversation Starters:**

***Given my financial situation, should I choose an investment advisory service? Why or why not?***

***How will you research and select investments for my account?***

***What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?***

## Item 3: Fees, Costs, Conflicts and Standard of Conduct

*Q: What fees will I pay?*

We charge a quarterly management fee that is based on your total assets under management with our firm. We believe this aligns our long-term interests with yours. You may also pay custodial fees to the broker-dealer, transaction fees for certain investments and internal operating expenses of the no-load mutual funds and exchange traded funds we purchased for your account. We do not charge performance fees. We provide financial planning services at no additional charge.

**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 additional information regarding our fees, please see the Fees and Compensation section of our [Form ADV Part 2A](#).

### **Conversation Starter:**

***If I give you \$1,000,000 to invest, how much will go to fees and costs, and how much will be invested for me?***

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*Q: 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 interest. 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 that means:

Our fee is based on assets under management. Thus, we have an incentive to recommend that you add to your account.

For additional information regarding our conflicts, please see Fees and Compensation of our [Form ADV Part 2A](#).

***Conversation Starter:***

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

*Q: How do your financial professionals make money?*

Our financial professionals are paid a base salary and may receive a discretionary bonus. The owners of the firm also receive a share of profits. Discretionary bonuses are determined by the partners and are based on the overall contribution of the individual to the firm. We do not pay our financial professionals sales commissions or reward them for utilizing any particular products.

#### Item 4: Disciplinary History

*Q: Do you or your financial professionals have legal or disciplinary history?*

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

***Conversation Starter:***

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

#### Item 5: Additional Information

For additional information regarding our fees, services, and conflicts, please see our [Form ADV Part 2A](#), or visit our website at [www.bakerellis.com](http://www.bakerellis.com). Please contact us at 503-227-5778 for more up-to-date information or to request a copy of this client relationship summary.

***Conversation Starters:***

***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?***