

**Baker Ellis Asset Management LLC**  
**Client Relationship Summary**  
**February 29, 2024**

## **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**

### ***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 have the authority to buy and sell securities without your permission. Your account is managed according to your unique circumstances. We do not manage your account to a model portfolio. You have the option to instruct us to avoid trading a particular security, industry, or investment vehicle. We require you to have a minimum of \$1 million to open an account with us; however, we may make exceptions. We review and monitor your account on an ongoing basis.

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**

### ***What fees will I pay?***

We charge a quarterly management fee that is based on your total assets under management with our firm. 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.

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 of our [Form ADV Part 2A](#).

*Conversation Starters:*

*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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***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 ARE SOME EXAMPLES TO HELP YOU UNDERSTAND WHAT THIS MEANS.

The more assets you have in your account, including cash, the more money you will pay us. We therefore have an incentive to recommend you increase the assets in your account, in order for us to make more money.

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

*Conversation Starters:*

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

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

Our financial professionals are paid a base salary and may receive a discretionary bonus. In addition, they may receive a bonus for bringing in new client relationships. The bonus arrangement presents a conflict as our financial professionals have an incentive to bring in new clients. The owners of the firm also receive a share of the profits. We do not pay our financial professionals sales commissions or reward them for utilizing any particular products.

**Item 4: Disciplinary History**

***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 tool to research our firm and financial professionals.

*Conversation Starters:*

*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 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?*

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We updated our Client Relationship Summary on February 29, 2024. Below you will find a summary of the changes made to our previous summary dated September 28, 2023.

Section Heading	Summary of Change
Item 3: Fees, Costs, Conflicts, and Standard of Conduct	Added "In addition, they may receive a bonus for bringing in new client relationships. The bonus arrangement presents a conflict as our financial professionals have an incentive to bring in new clients."