

CLIENT RELATIONSHIP SUMMARY

BAKER ELLIS ASSET MANAGEMENT LLC

February 24, 2025

Item 1: Introduction

Baker Ellis Asset Management LLC (our “firm”, “we”, “us”) is registered with the Securities and Exchange Commission as an Investment Advisor. This document is intended to help introduce you to our firm and suggest possible additional topics for discussion.

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 help you 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 for each transaction. 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 in particular securities. We offer financial planning services for no additional fee. We generally have a minimum account size of \$1 million, although 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 choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

Item 3: Fees and Costs, Conflicts and Standards 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 Starter:

- *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 are some examples to help you understand what this means.

We have no additional lines of business, such as investment banking, that could pose a conflict of interest in our investment recommendations. However, the way we are compensated means that some potential conflicts are difficult to eliminate entirely. For example, our fee is asset-based, which means we have an incentive to encourage you to do business with us or increase the size of your account.

For additional information regarding our conflicts, please see Fees and Compensation of our Form ADV Part 2A.

Are there any special conflicts that can apply to rolling over a retirement account into an IRA?

When we provide investment advice regarding your retirement plan or Individual Retirement Account (IRA), as defined by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), we are fiduciaries with respect to your account. Since the way we are compensated can create potential conflicts of interest, we also adhere to the Department of Labor’s Retirement Security Rule, which requires us to act in your best interest and not put our interest ahead of yours when making a recommendation such as whether to roll a retirement account into an IRA.

Conversation Starters:

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

How do your investment 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 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 any legal or disciplinary history related to their investment career?

No. Please visit 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. Please contact us at 503-227-5778 for more up-to-date information or to request a printed copy of this client relationship summary.

Conversation Starter:

- *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?*

We updated our Client Relationship Summary on February 25, 2025. Below is a summary of changes made to our previous filings dated September 28, 2023, and February 29, 2024.

Section Heading	Summary of Change
2025- ITEM 1: Introduction	Added: "This document is intended to help introduce you to our firm and suggest possible additional topics for discussion"
2025 – ITEM 2: Relationships and Services	<ul style="list-style-type: none"> Added "for each transaction" to the sentence "Our firm offers investment advisory service to retail investors on a discretionary basis, which means we have the authority to buy and sell securities without your permission for each transaction." Amended: "You have the option to instruct us to avoid trading a particular security, industry, or investment vehicle" to "You have the option to instruct us to avoid trading in a particular security". Added: "We offer financial planning services for no additional fee." Amended "We require you to have a minimum of \$1 million to open an account with us..." to: "We generally have a minimum account size of \$1 million, although we may make exceptions."
2025 – ITEM 3: Fees, Costs, Conflicts, and Standard of Conduct	<ul style="list-style-type: none"> Changed "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?" to: "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?" <ul style="list-style-type: none"> To match Form CRS instructions/ requirements. Updated "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" to: "We have no additional lines of business, such as investment banking, that could pose a conflict of interest in our investment recommendations. However, the way we are compensated means that some potential conflicts are difficult to eliminate entirely. For example, our fee is asset-based, which means we have an incentive to encourage you to do business with us or increase the size of your account." Added: "Are there any special conflicts that can apply to rolling over a retirement account into an

IRA? When we provide investment advice regarding your retirement plan or Individual Retirement Account (IRA), as defined by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), we are fiduciaries with respect to your account. Since the way we are compensated can create potential conflicts of interest, we also adhere to the Department of Labor’s Retirement Security Rule, which requires us to act in your best interest and not put our interest ahead of yours when making a recommendation such as whether to roll a retirement account into an IRA.

- Removed: “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.”