

# Lee Financial Company - Form CRS

## As of September 11, 2020

Lee Financial Company (“LFC”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser. Brokerage and investment advisory services and fees differ. It is important for a retail investor to understand the differences. There are free tools available for investors to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS). This site also provides educational materials about broker-dealers, investment advisers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

LFC offers investment advisory services to retail investors. These services include advice about individual stocks and bonds; exchange traded funds; mutual funds; money market funds; private funds; investments in non-publicly traded securities; real estate investment trusts; and other alternative investments.

Our firm offers the following types of advisory services: financial planning and investment management. Our investment management services include ongoing monitoring of your investment portfolio as part of our regular services and at least an annual review of your investment goals and portfolio.

LFC’s standard investment management services include managing your account(s) with discretionary authority with or without certain restrictions agreed upon. This means we are authorized by you to make investment recommendations for your account(s) and will buy and sell the securities we have recommended to you with your funds for your account(s) without asking you in advance. LFC provides the majority of our investment management services to clients under discretionary authority.

Alternatively, LFC can manage your account(s) without discretion. This means that we will make investment recommendations for your account(s) to buy and sell securities. However, we cannot act on those recommendations without speaking with you first and obtaining your authority to execute securities trades in your account(s). You as the investor make the ultimate decision whether to buy or sell securities recommended to you.

LFC does not limit its recommendations and services to proprietary products or specific types of securities. The firm does not require an account minimum or have any requirements for retail clients to engage our services.

For more detailed information about our services, refer to our [Form ADV 2A](#).

### **QUESTIONS YOU SHOULD ASK THE FINANCIAL PROFESSIONAL:**

*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?*

### WHAT FEES WILL I PAY?

#### **Description of Principal Fees and Costs**

The fee LFC charges will depend on the services the client will receive, and the amount of assets being managed. Clients who receive financial planning and investment advisory services will pay the greater of an annual minimum fee determined at the start of the advisory relationship or a fee based on assets under management. Clients who do not receive financial planning services will only be charged an asset-based fee. Fees are charged quarterly in advance and deducted from managed accounts unless otherwise agreed to. A client may engage LFC to perform additional or different services on a one time or on-going basis if mutually agreed upon.

Since we are an investment adviser which charges an asset-based fee, the more assets there are in a retail investor’s advisory account, the more a retail investor will pay LFC in fees. LFC therefore has an incentive to encourage you to increase the assets in your account.

#### **Description of Other Fees and Costs**

Other fees charged to you that relate to your account are fees paid to a custodian, mutual fund, and sub-adviser as well as other transactional fees and product-level fees. These fees can include brokerage commissions, transaction fees, custodial fees, wire transfer and electronic fund processing fees. Investment management fees, advisory fees,

performance fees and administrative fees can be charged by mutual funds and exchange traded funds in your investment portfolio.

### **Additional Information**

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.

The fees for investment advisory services are described in further detail in our firm's ADV, in particular, [Part 2A brochure](#), Items 5.A., B., C., and D.

### **QUESTIONS YOU SHOULD ASK THE FINANCIAL PROFESSIONAL:**

*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 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 a Client's advisory account holds, the more LFC will be paid in fees. LFC has an incentive to encourage a Client to increase the assets in his or her account with the Firm.

### **QUESTIONS YOU SHOULD ASK THE FINANCIAL PROFESSIONAL:**

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

For more detailed information regarding conflicts of interest, please see our [Form ADV Part 2A](#) brochure.

#### **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

At LFC, our financial professionals are paid a salary and benefits package based on their experience and the complexity of the client relationships they manage. Financial professionals can earn additional compensation for developing and retaining new client relationships.

A financial professional could have too many relationships to service them in accordance with LFC's fiduciary duty to client. To mitigate that conflict, LFC manages its financial professionals' workloads to ensure that our clients receive service in accordance with LFC's fiduciary duty to our clients.

#### **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

Yes, two individual financial professionals at our firm have reportable disciplinary history. LFC as a firm has no disciplinary information to report. Please see [Investor.gov/CRS](http://Investor.gov/CRS) for a free search tool to research LFC and our financial professionals.

### **QUESTIONS YOU SHOULD ASK THE FINANCIAL PROFESSIONAL:**

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

#### **OTHER INFORMATION**

You may find additional information about our firm on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Please call us at (972) 960-1001 for information about our services and to request a copy of our relationship summary.

### **QUESTIONS YOU SHOULD ASK THE FINANCIAL PROFESSIONAL:**

*Who is my primary contact person?*

*Is he or she a representative of an investment adviser?*

*Who can I talk to if I have concerns about how this person is treating me?*