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## Form ADV Part 3: Client Relationship Summary

### January 3, 2024

Rae & Lipskie Investment Counsel Inc., operating as The RaeLipskie Partnership (“RaeLipskie”, “we”, “our”, “us”) is an investment adviser registered with the U.S. Securities and Exchange Commission. Services and fees offered by investment advisory firms like RaeLipskie differ from those offered by brokerage firms. We believe it is important for retail investors (“you”) to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

#### **What investment services and advice can you provide me?**

**Description of Services:** We offer investment management services to retail clients (particularly high net worth investors and families) and institutional clients. Our investment professionals consider range of investments to determine which particular securities are appropriate to implement your investment policy statement. We use stocks, Exchange-Traded Funds (“ETFs”), bonds, short-term investments, and where appropriate, alternative investments, all in an effort to accomplish your objectives.

**Discretionary Authority:** We accept discretionary authority to manage securities accounts on your behalf. This means we buy and sell securities we believe best fit your investment objectives, in an amount and when we believe the timing is appropriate. This authority does not allow us to withdraw money or assets from your account. We may also assign discretionary authority to third-party managers who will make these decisions. You may impose reasonable restrictions on investing in certain investment strategies and securities as long as we believe these restrictions allow us to meet our fiduciary duty to you.

**Monitoring:** As part of our standard investment management services, we monitor your account(s) on a continuous basis including holdings, changes in your investment objectives, and account deposits and withdrawals. You are responsible to inform us of any changes in your investment objectives and/or financial situation so that we may adjust your portfolio to meet your changing needs.

**Account Minimums and Other Requirements:** At the start of our relationship, we require you to sign an investment management agreement which authorizes us to advise your portfolio. The minimum annual fee is \$8,500 USD. Exceptions can be made at our discretion.

**Additional Information:** More detailed information about our services is included in Items 4, 7, and 13 of our Form ADV, Part 2A, available at <https://adviserinfo.sec.gov/firm/summary/327652>.

*“Conversation Starters” represent questions the SEC thinks you should consider asking your financial professional.*

**Conversation Starters** – ask RaeLipskie:

- Given my financial situation, should I choose investment advisory services? 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?**

We charge fees on the basis of a percentage of your total account’s and/or household’s assets under management, including cash balances. Our annual fee for discretionary investment management services is: first \$375,000 @ 1.50% per annum, next \$1.1 million @ 0.75% per annum, next \$750,000 @ 0.50% per annum, and over \$2.25 million @ 0.25% per annum. You will also pay any commissions, transaction fees,

custodial fees, and other related costs and expenses that are charged by trade counterparties or custodians. Our investment advisory fees are calculated and billed monthly in arrears based upon your account's asset value at the end of the prior calendar month and are pro-rated for partial periods. **You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More information about fees and costs are included in your written agreement and our Form ADV Part 2A (Item 5), available at <https://adviserinfo.sec.gov/firm/summary/327652>.**

**Conversation Starters** – ask RaeLipskie:

- 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 examples to help you understand what this means: our employees are permitted to buy and sell the same securities owned by our clients. Furthermore, We may recommend a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support make us more inclined to continue using and recommending them.

**Conversation Starters** – ask RaeLipskie:

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

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

Our financial professionals earn a base salary, with the potential to earn a bonus and share in a portion of management fees received from clients gained. Factors impacting compensation include overall firm revenue, investment performance, feedback from clients, and client retention. No employee is compensated for the sale of securities. The more assets we manage for you, the greater our fee and so we have an incentive to encourage you to increase account assets. This presents a conflict because as revenues grow, we and our financial professionals have an opportunity to make more money. Our equity owners stand to share in the profits of the firm, if any. Follow this link to learn more about potential conflicts and how we address them: <https://adviserinfo.sec.gov/firm/summary/327652>.

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

No, there are no legal or disciplinary events to report. We invite you to visit [Investor.gov/CRS](https://Investor.gov/CRS) for a free and simple search tool to research the firm and our financial professionals.

**Conversation Starters** – ask RaeLipskie:

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

To obtain additional information about our services or to request an up-to-date copy of this Client Relationship Summary, please call us (519) 578-6849.

**Conversation Starters** – ask RaeLipskie:

- 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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**Material Changes**

Since our initial filing of Form ADV Part 3 on September 22, 2023, we report the following material change: our investment advisory fees are calculated and billed monthly (not quarterly) in arrears based upon your account's asset value at the end of the prior calendar month and are pro-rated for partial periods.