

Part 2A of Form ADV: FIRM BROCHURE

BAKER ASSET MANAGEMENT LLC

1601 NW EXPRESSWAY, SUITE 1710

OKLAHOMA CITY, OK 73118

405-415-7270

www.bakerassetman.com

June 2021

This brochure provides information about the qualifications and business practices of Baker Asset Management LLC. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. If you have any questions about the contents of this brochure, please contact us at 405-415-7270. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Baker Asset Management LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for our name, Baker Asset Management, or our firm CRD number **136180**

Item 2-Material changes

Baker Asset Management LLC is required to make clients aware of information that has changed since the last annual update to the Firm Brochure ("Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since our last amendment dated March 2021, we have amended our fee schedule. We no longer charge fees based on the types of holdings in your account. We now charge a tiered fee schedule based on the assets under management in your account. Please see Item 5 for more information.

We urge you to carefully review any notice of material amendments to this Disclosure Brochure in the future as it will contain important information that may pertain to, among other things, changes to our advisory services, fee structures, business practices, conflicts of interest, or disciplinary history.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time, we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

Table of Contents

Item 2- Material changes	2
Item 4- Advisory Business	4
Item 5- Fees and Compensation	5
Item 6- Performance-Based Fees and Side-By-Side Management	7
Item 7- Types of Clients	7
Item 8- Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9- Disciplinary Information	8
Item 10- Other Financial Industry Activities & Affiliations	8
Item 11- Code of Ethics	8
Item 12- Brokerage Practices	8
Item 13- Review of Accounts	11
Item 14- Client Referrals and Other Compensation	13
Item 15- Custody	13
Item 16- Investment Discretion	13
Item 17- Voting Client Securities	14
Item 18- Financial Information	14
Item 19- Requirements for State-Registered Advisers	15

Item 4- Advisory Business

Baker Asset Management LLC (“BAM”) was registered in 2005, and acts primarily as an investment advisor to individual clients and their retirement accounts, institutional accounts, including trusts, estates, pension and profit sharing plans, bank holding companies, charitable organizations, foundations, corporations and other business entities.

James Baker Group Inc. is the sole principal owner of BAM. Please see **Brochure Supplement Part 2B**, Exhibit A, for information regarding individuals who formulate advice and have direct contract with clients or have discretionary authority over client accounts.

As of December 31, 2020, BAM managed \$60,397,879 assets on a discretionary basis. As a discretionary investment advisor, BAM has the authority to supervise and direct the portfolio management of a client’s account without prior consultation with the client, including the authority with respect to the purchase and sale of securities and the hiring and firing of third-party advisors.

As of May 7, 2020, BAM has engaged Plan Group Financial, Inc. (“PGF” or the “Sub-Advisor”), an unaffiliated, third-party, SEC registered investment advisory firm, to provide investment management services with respect to client accounts within the BAM-sponsored wrap fee program (the “BAM Wrap Fee Program”) accounts. **Please refer to Appendix 1, Wrap Fee Program Brochure for a description of the BAM Wrap Fee Program.**

At the outset of each client relationship, the client, working with PGF, will be asked a series of questions, discussing the client’s investment experience and financial circumstances, and broadly identifying major investment goals and objectives of the client. Based on these discussions, an Investment Policy Statement is developed, which outlines the overall investment plan for the client.

Clients may impose reasonable restrictions on the management of their accounts, such as restrictions on investing in certain securities or types of securities. Each client should note, however, that restrictions imposed by a client can adversely affect the composition and performance of the client’s investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client’s account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals, and/or risk tolerance will differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with those of other clients of BAM.

Financial Planning Services - When requested by the client, BAM, through its IARs, will provide personal financial planning and consulting services tailored to the individual needs of the client. The scope of services is determined between the client and IAR and may range from comprehensive financial planning to consulting on a particular issue, including focus on topics such as retirement planning, education planning, estate planning, cash flow/budget planning, risk management planning, personal wealth planning, tax planning, business planning, investment planning/asset allocation, or such other financial planning or consulting services needs as agreed upon with the client, and will include delivery of a written financial plan based upon the scope of agreed upon services.

Item 5- Fees and Compensation

BAM sponsors the BAM Wrap Fee Program, which combines management fees and certain brokerage expenses. Advisory fees for all advisory clients are asset-based on the portfolio valuation as shown by the following scale. The wrap fees are calculated and payable in arrears, based upon the three-month average of client's portfolio valuation (all sub-accounts) on the last day of each month during the calendar quarter (the "Average Portfolio Valuation") and multiplied by the percentage applicable to the client's Average Portfolio Valuation (with a minimum annual Advisor's fee of \$100). The wrap fee shall include all investment advisory, custodial, brokerage and administrative services provided.

Inasmuch as BAM pays to the executing broker/dealer the transaction and execution costs associated with client accounts, this creates a disincentive for BAM to trade securities in accounts. This, however, is countered by the fact that we must actively manage client accounts and act in clients' best interest.

The wrap fee does not cover (i) underwriting or dealer concessions or related compensation in connection with securities acquired in underwritten offerings, where the offering price is established by prospectus or other offering documents, (ii) certain odd-lot differentials, transfer taxes, redemption fees and fees mandated by the Securities Act of 1934, postage and handling fees, wire fees, clearing firm transaction fees and expenses of mutual funds (including money market funds), closed-end investment companies or other manage investments, if any are held in the client's account.

The wrap fee does not cover securities transactions in the over-the-counter market when the firm must approach a dealer or market maker to purchase or sell a security, including the dealer's mark-up, mark-down or spread and odd-lot differentials or transfer taxes imposed by law.

BAM may, at its discretion, make exceptions to the foregoing or negotiate different fee arrangements where BAM deems it appropriate under the circumstances.

The advisory fee does not cover trades executed through broker-dealers other than Fidelity. BAM's wrap fee program may cost you more or less than purchasing similar services separately, assuming the services could be purchased directly from the various providers thereof. In evaluating a wrap fee program, clients should consider a number of factors. A client may be able to obtain some or all of the services available through a particular wrap fee program on an "unbundled" basis through BAM or through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower (or higher) than the single, all-inclusive fee charged in the wrap fee program.

Payment of an asset-based fee may produce accounting, bookkeeping or income tax results that differ from those resulting from the separate payment of (i) securities commissions and other execution costs on a trade-by-trade basis and (ii) advisory fees. Any securities or other assets used to establish a wrap fee program account may be sold, and the client will be responsible for payment of any taxes due. BAM recommends that each client consult with his or her tax advisor or accountant regarding the tax treatment of wrap fee program accounts.

If account management begins after the start of a quarter, fees will be prorated accordingly. With client authorization, unless other arrangements are made fees are normally debited directly from client account(s).

Either BAM or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to BAM from the client will be invoiced or deducted from the client's account prior to termination.

The following represents BAM's annual fee schedules, based on the amount of assets held in the account:

Assets Under Management	Annual Fee Percentage
\$ 0 - \$250,000	2.00% per annum*
\$ 250,001 - \$1,000,000	1.75% per annum*
\$1,000,001 - \$5,000,000	1.50% per annum*
\$5,000,001 and above	Negotiated

Fees are calculated as follows: Total Assets Under Management at the end of month, by Annual Fee Percentage divided by 12 = Monthly Fee. Please be advised that similar advisory services can be obtained for less.

Asset-based wrap fees are payable (in arrears) at the end of each calendar quarter based on the three-month average of Clients' portfolio valuation (all sub-accounts) on the last day of each month during the calendar quarter (the "Average Portfolio Valuation") and multiplied by percent applicable to Client's Average Portfolio Valuation (with a minimum annual advisor's fee of \$100), subject to proration for any partial calendar quarter.

In certain circumstances, all fees and minimums may be negotiable.

Generally, 70% to 90% of the Wrap Fee charged to a client is for advisory services. Pursuant to the sub-advisory and compliance services agreement between BAM and PGF, BAM pays PGF 72% of the net client advisory fee revenues earned by BAM. Thus, generally 50% to 65% of the Wrap Fee charged to a client is paid to the Portfolio Manager. This will not increase your advisory fee, as the sub-advisory fee will be paid from the fees we collect.

Financial Plans and Consultations

There is no charge for these plans or consultations.

Item 6- Performance-Based Fees and Side-By-Side Management

BAM does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client). Nor does BAM engage in side-by-side management.

Item 7- Types of Clients

BAM provides portfolio management services to individual clients and their retirement accounts, institutional accounts, including trusts, estates, pension and profit-sharing plans, bank holding companies, charitable organizations, foundations, corporations, and other business entities.

Item 8- Methods of Analysis, Investment Strategies and Risk of Loss

BAM has engaged PGF as a sub-advisor to provide portfolio management services with respect to client accounts. Please review PGF's Form ADV Part 2A for information regarding the Sub-Advisor's methods of analysis and investment strategies for formulating investment advice and managing client account assets and an explanation of the material risks related thereto. A copy can be found [on IAPD](#). Investing in securities involves risk of loss that clients should be prepared to bear.

BAM reviews the performance of the sub-advisor, as well as the transactions completed in the accounts.

Item 9- Disciplinary Information

BAM is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our advisory business or the integrity of our management.

BAM has no information to disclose in response to this Item.

Item 10- Other Financial Industry Activities & Affiliations

BAM's sole member and principal owner, James Baker Group, Inc. is the General Partner of The Baker Group LP, an SEC registered broker-dealer and municipal securities advisor and state registered investment advisory firm. Thus, BAM is affiliated through common ownership with The Baker Group LP.

BAM's President, CCO and investment adviser representative, Phil Stenseth is a registered representative of The Baker Group LP. Clients of BAM are not solicited for brokerage services or referred to The Baker Group LP.

Item 11- Code of Ethics

BAM is affiliated through common ownership with James Baker Group.

From time to time, recommendations may be made to clients for securities in which the broker/dealer, its officers and/or employees may have incidental long or short positions.

Because the investment objectives and personal circumstances of those persons may differ from those of Baker Asset Management's clients, the timing of such transactions may not coincide with the timing of portfolio transactions for clients

Baker Asset Management is mindful of its fiduciary duties and will not deprive its clients of, or appropriate to its own advantage, investment opportunities that are suitable for client accounts.

BAM's advisory clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Philip Stenseth at 405-415-7280.

Item 12- Brokerage Practices

BAM participates in the Fidelity Institutional Wealth Services ("FIWS") program. While there is no direct link between the investment advice BAM provides and participation in the FIWS program, BAM receives certain economic benefits from the FIWS program.

These benefits include software and other technology that provides access to client account data (such as trade confirmation and account statements), facilitates trade execution (and allocation of aggregated orders for multiple client accounts), provides research, pricing information and other market data, facilitates the payment of BAM's fees from its clients' accounts, and assists with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of BAM's accounts, including accounts not held at Fidelity. Fidelity may also make available to BAM other services intended to help BAM manage and further develop its business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Fidelity may make available, arrange, and/or pay for these types of services to be rendered to BAM by independent third parties. Fidelity may discount or waive fees it would otherwise charge for some of these services, pay all or a part of the fees of a third-party providing these services to BAM, and/or Fidelity may pay for travel expenses relating to participation in such training. Finally, participation in the FIWS program provides BAM with access to mutual funds which normally require significantly higher minimum initial investments or are normally available only to institutional investors.

The benefits received through participation in the FIWS program do not necessarily depend upon the proportion of transactions directed to Fidelity. The benefits are received by BAM, in part because of commission revenue generated for Fidelity by BAM's clients. This means that the investment activity in client accounts is beneficial to BAM because Fidelity does not assess a fee to BAM for these services. This creates an incentive for BAM to continue to recommend Fidelity to its clients. While it may be possible to obtain similar custodial, execution and other services elsewhere at a lower cost, BAM believes that Fidelity provides an excellent combination of these services.

PGF has the ability to use the FIWS program on behalf of BAM and BAM's clients.

Directed Brokerage

The arrangement that BAM has with Fidelity is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of alternative service providers may in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing BAM to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with BAM that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

BAM has several "legacy" clients that transact through Pershing. No Fidelity accounts can direct brokerage, however, the legacy clients may direct BAM to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

Aggregated Trade Policy

BAM uses the service of a sub-advisor, PGF, and BAM does not place trades. Below is PGFs Trade Aggregation and Allocation Policy.

PGF strives to treat all clients in a fair manner. This is the basic principal underlying this aggregation and allocation policy.

The allocations of a particular security will be determined by PGF before the trade is placed with the broker. When practical, client trades in the same security will be bunched in a single order (a "block") in an effort to obtain best execution at the best security price available. When employing a block trade:

- A. PGF will attempt to fill client orders by day-end;
- B. If the block order is not filled by day-end, shares will be executed to underlying accounts on a pro rata basis, adjusted as necessary to keep client transaction costs to a minimum and in accordance with specific account guidelines;

- C. If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed;
- D. All participants receiving securities from the block trade will receive the average price; and
- E. Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of PGF's clients, we may deviate from this policy.

Item 13- Review of Accounts

Accounts generally are reviewed by BAM management and the "sub-advisor", PGF,, on at least a quarterly basis. When market conditions, economic events or individual issuers prompt immediate review, accounts are reviewed more frequently and may be subject to daily monitoring. This is an ongoing process of analysis to ensure that client objectives are being met and tactical adjustments can be made to respond to changing market conditions. Reviews are focused on performance, asset allocation, investments, diversification, and the general positioning of the accounts in light of fundamental and technical forces at work in the marketplace.

Investment advisory accounts receive quarterly Statements of Performance from the firm. Supervised accounts will receive statements of activity on at least on a quarterly basis, reflecting cash and securities positions, market value and the change in value for the total portfolio from the previous period from the custodian.

1. Duties of Sub-Adviser.

- a) Investment Advisory Services: Sub-Adviser is hereby authorized and directed and hereby agrees to: (i) have primary responsibility for all communications with the Clients assigned to Sub-Adviser, subject to the terms and conditions of this Agreement, (ii) establish and maintain necessary profile information for each Client assigned to Sub-Adviser including, but not limited to, the Client's financial circumstances, investment objectives, risk tolerance, liquidity needs, investment guidelines and restrictions, and any other factors that may be appropriate ("Client Profile") (iii) at least annually meet with assigned Client(s) to review Client Accounts and provide Adviser with updated profile, risk tolerance and suitability information, (iv) furnish continuous and regular supervision for Client Accounts assigned to Sub-Adviser, (v) determine what investments shall be purchased, sold or exchanged in the Client Account in

accordance with an investment program chosen by Client, subject to the Client's Investment Management Agreement, (vi) maintain books and records required to be maintained regarding Clients and Client Accounts in a form and manner as directed by Adviser, (vii) deliver Sub-Adviser's Form ADV disclosure brochure(s) and privacy notices to Clients, if, as, and when required under the Advisers Act, and (viii) prepare and, upon approval of the Adviser, send performance reports and marketing materials to Clients. Sub-Adviser shall be granted a limited power of attorney and shall be responsible for executing any orders to purchase, sell or exchange investments in the Client Accounts.

Sub-Adviser will provide certain services to Clients with qualified plans (each, the "Plan") including, but not limited to (i) development of an investment policy statement for the Plan; development of asset allocation models; (c) review and monitoring of investment asset classes and strategic allocation options for Plan investment menu; (d) performance of due diligence on investment options and managers; (e) review of investment performance and monitoring for the Plan investment menu; (f) performance of annual due diligence on the Plan investment menu; (g) Serving as Co-fiduciary with the Plan Sponsor and participating in periodic meetings; (h) Conducting annual due diligence meetings with the Plan Sponsor to review the Plan investment menu; (i) delivery of participant investment advice, pursuant to the Pension Protection Act of 2006; (j) delivery of participant education through one annual participant group seminar; (k) monitoring of employee participation and investment elections; and (l) providing model portfolio tools for participant allocations.

b) CCO Compliance & Operational Support Services: Sub-Adviser shall also provide CCO compliance & operational support services to Adviser, including the following: (i) perform full initial operational and compliance review of Adviser's business; (ii) review and update Adviser's compliance manual, privacy policy, and business continuity plan, code of ethics and any other compliance or written supervisory policies; (iii) review and assist with drafting and filing of Form ADV (including Parts 1 and 2A and Part 2B) annual and other than annual amendments, (including, for avoidance of doubt amendments required in connection with material changes to Advisers business operations resulting from the engagement of Sub-Adviser), and other regulatory filings, to include Schedules 13D and 13G, and Form 13F, Forms U-4 and Forms U-5, as applicable; (iv) prepare and/or review compliance and supervision logs and compliance document templates; (v) perform annual risk assessment and annual Compliance meeting with Adviser's CCO; (vi) at the request of the Firm's CCO, perform and/or assist with internal investigations to determine violations of the firms compliance policies and procedures, investment related statutes, or

industry standards of conduct; (vii) review Client Investment Management Agreements; (viii) review website, social media, advertising, and marketing materials and provide feedback and compliance advice; (ix) review email and other electronic communications; (x) back and middle office services, including reporting and billing, administrative and account related activities, and records and data maintenance support and (xi) such other services as Adviser and Sub-adviser may mutually agree from time-to-time.

During the term of this agreement, at Sub-Adviser's sole cost and at no cost to Adviser, Sub-Adviser shall engage and provide Adviser with full access to the full suite of compliance services of Sub-Adviser's compliance consultant, Ann Zemann, President and Founder of Stile Compliance Services, Inc., or such other compliance consultant as may be approved by the Adviser, in its sole discretion. Following the termination of this Agreement, Sub-Adviser shall not preclude Adviser from engaging such compliance consultant for continued services to Adviser, at Adviser's sole cost.

Item 14- Client Referrals and Other Compensation

We do not directly or indirectly compensate any third parties for client referrals.

Item 15- Custody

Fidelity is the qualified custodian of nearly all client accounts at BAM. Some older accounts are custodied at Pershing. It is the custodian's responsibility to provide clients with confirmation of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify BAM of any questions or concerns. BAM is responsible for ensuring that clients receive statements.

From time to time and in accordance with BAM's agreement with clients, BAM will provide additional reports. These reports are run from Morningstar. Morningstar is research and analytic value-added service subscribed to by BAM and available to all BAM wrap fee clients. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues. In the event a difference does occur, the custodian's statements control.

Item 16- Investment Discretion

BAM receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. This

discretionary authority is obtained by obtaining a written power of attorney signed by the client. In all cases, however, such discretion is to be exercised in a manner consistent with the stated objectives for the particular client account.

When selecting securities and determining amounts, BAM observes the investment policies, limitations, and reasonable restrictions of the clients for which BAM has agreed to observe the restrictions requested by the client. For those clients with such restrictions, they should be aware that their accounts will not perform the same way as other investors as the restrictions can cause the account to perform either better or worse than other investors.

Investment guidelines and restrictions must be provided to BAM in writing. BAM is not required to agree to any restrictions, however, if it does, BAM must agree in writing prior to any restrictions going into place in the account.

Item 17- Voting Client Securities

Accounts not subject to ERISA: BAM will not vote any proxies for securities or exercise voting rights pertaining to investments in client accounts (including without limitation matters relating to conversions, exchanges, mergers, stock splits, rights offerings, recapitalizations and reorganizations) unless directed in writing by client to do so.

Accounts subject to ERISA: Unless client directs BAM in writing to the contrary, or the documents of an employee benefit plan reserves the right to vote proxies to the plan's trustees or named fiduciary, BAM will vote all proxies for securities and exercise voting rights pertaining to investments in the account (including without limitation matters relating to conversions, exchanges, mergers, stock splits, rights offerings, recapitalizations and reorganizations).

BAM will not be responsible or liable for failing to vote any proxies where it has not received such proxies or related communications on a timely basis from the custodian.

Item 18- Financial Information

BAM does not require or solicit prepayment of any fees.

BAM has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

BAM has not been the subject of a bankruptcy petition.

Item 19- Requirements for State-Registered Advisers

The following individuals are the principal executive officers and management persons of BAM:

- Phil Stenseth

Information regarding the formal education and business background for Mr. Stenseth is provided in his respective Brochure Supplement (Part 2B of Form ADV).

Neither BAM nor Mr. Stenseth are compensated for advisory services with performance-based fees.

We are required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory or administrative proceedings in which our firm or management personnel were found liable or against whom an award was granted. Our firm and our management personnel have no reportable disciplinary events to disclose.

Neither BAM nor Mr. Stenseth have a relationship or arrangement with any issuer of securities.