

## Item 1: Cover Page

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**L.K. BENSON  
& COMPANY**

**Form ADV Part 2A  
Investment Adviser Brochure**

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March 2023

This Brochure provides information about the qualifications and business practices of L.K. Benson & Company (“we,” “us,” “our”). If you have any questions about the contents of this Brochure, please contact Chris Benson, Principal and Chief Compliance Officer at (410) 494-6680 or [Chris@lkbenson.com](mailto:Chris@lkbenson.com).

Additional information about our Firm is also available on the SEC’s website at <https://adviserinfo.sec.gov/Firm/107908>. 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.

We are a registered investment adviser. Please note that use of the term “registered investment advisor” and a description of the Firm and/or our employees as “registered” does not imply a certain level of skill or training. For more information on the qualifications of the Firm and our employees who advise you, we encourage you to review this Brochure and the Brochure Supplement(s).

## Item 2: Summary of Material Changes

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### **Annual Update**

In this Item of L.K. Benson & Company, P.C.'s (LKB or the Firm) Form ADV 2, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment.

### **Material Changes since the Last Update**

Since the last Annual Amendment filing on March 28, 2022, the Firm has no Material Changes to report:

### **Full Brochure Available**

LKB's Form ADV may be requested at any time, without charge by contacting Chris Benson, Principal and Chief Compliance Officer at (410) 494-6680 or [Chris@lkbenson.com](mailto:Chris@lkbenson.com).

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## **Item 4: Advisory Business**

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L.K. Benson & Company, P.C. (LKB or the Firm) is an investment adviser. LKB was founded in 1994 and is owned by Lyle K. Benson, Jr., and Chris Benson.

LKB provides a diverse range of financial services to individuals, high net worth individuals and families. These services may include advice and implementation support for issues associated with investments, the selection of other advisers, cash management, estate planning, and personal risk management, as well as income tax planning and preparation.

### **Investment Advisory Services**

LKB offers financial planning and portfolio management services on an ongoing basis. Financial planning typically involves providing a variety of services, principally advisory in nature. LKB will go through an initial data gathering process with clients to understand their financial resources and to help develop long-term goals. LKB will then outline a plan and implementation process to help clients achieve those goals. The primary objective of this process is to allow LKB to assist clients in developing a strategy for the successful management of income, assets, and liabilities in meeting their financial goals and objectives.

Financial plans are based on a client's financial situation at the time the plan is prepared and are based on financial information disclosed by the client. Clients are advised that certain assumptions are made with respect to future rates of return and inflation and past trends and performance of the market and economy are used in developing these assumptions. LKB cannot offer any guarantees or promises that a client's financial goals and objectives will be met. The components of the financial plan are regularly reviewed and updated to reflect changes in a client's situation.

In addition to ongoing financial planning services, LKB offers discretionary portfolio management services where the investment advice provided is developed to meet clients' needs and investment objectives. Subject to any written guidelines that clients may provide, LKB may be granted discretion and authority to manage clients' investment accounts.

Once the portfolio is constructed, LKB provides regular supervision and rebalancing of the portfolio as changes in market conditions and your circumstances may require.

With respect to selecting third-party investment advisers, LKB shall review information about the adviser(s) such as its disclosure statement and/or material supplied by the adviser(s) or independent third parties for a description of the adviser's investment strategies and past performance to the extent available.

### **Financial Planning, Tax Planning and Preparation Services**

In addition to ongoing financial planning and portfolio management services, LKB also works with clients in a project-based capacity for financial planning and tax services. These services

may include a wide variety of personal financial planning, including retirement planning, estate planning, education funding, cash flow analysis, risk management, tax planning and tax preparation.

### **Use of Independent Managers**

As mentioned above, LKB may recommend that certain clients sign an Investment Management Agreement with the third-party investment adviser, and the Agreement authorizes the third-party investment adviser to manage the client's account(s) with client's objective(s) on a discretionary basis. LKB's services include assisting the client in choosing the appropriate objective(s), monitoring the performance of all objectives, communications and reports to the client, and providing assistance with certain trading activities, and other administrative services. The third-party investment adviser may consult with clients and their financial advisor to customize portfolios to fit clients' needs, circumstances and objectives.

LKB shall continue to monitor and review account performance and client investment objectives.

When selecting an Independent Manager for a client, LKB shall review information about the Independent Manager(s) such as its disclosure statement and/or material supplied by the Independent Manager(s) or independent third parties for a description of the Independent Manager's investment strategies, past performance, and risk results to the extent available.

Factors that LKB shall consider in selecting Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s), may be exclusive of, and in addition to, LKB's investment advisory fee.

### **Tailored Relationships**

LKB tailors investment advisory services to the individual needs of the client. Clients are allowed to impose restrictions on the investments in their account. All limitations and restrictions placed on accounts must be presented to LKB in writing. Clients will retain individual ownership of all securities.

### **Fiduciary Statement**

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act, ("ERISA") and/or the Internal Revenue Code, ("IRC"), as applicable, which are laws governing retirement accounts.

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. We must take into consideration each client's objectives and act in the best interests of the client. We are

prohibited from engaging in any activity that is in conflict with the interests of the client. We have the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client's needs, financial circumstances, and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have a reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

Regulations prohibit us from:

- Employing any device, scheme, or artifice to defraud a client;
- Making any untrue statement of a material fact to a client or omitting to state a material fact when communicating with a client;
- Engaging in any act, practice, or course of business which operates or would operate as fraud or deceit upon a client; or
- Engaging in any manipulative act or practice with a client.

We will act with competence, dignity, integrity, and in an ethical manner, when working with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

#### **Wrap Fee Programs**

LKB does not participate in a Wrap Fee Program.

#### **Client Assets**

As of December 31, 2022, LKB managed \$258,297,116 in regulatory assets under management; \$229,014,905 are managed on a discretionary basis and \$29,282,2112 a non-discretionary basis.

## **Item 5: Fees and Compensation**

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### **Overview**

LKB is a fee-only investment management and financial planning firm and is compensated only by clients.

Fees are dependent upon the client's choice of the previously mentioned services.

### **Investment Advisory Services Fee**

Fees for Investment Advisory Services are typically billed quarterly, in advance. The quarterly retainer fee established for these services are based on the complexity of a client's financial situation and is confirmed in the client's investment advisory agreement. This fee covers not only the investment advisory services but may also include advice in other areas such as financial planning or tax preparation. Annual fees typically range between \$85,000 - \$25,000.

Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

### **Financial Planning and Tax Planning and Preparation Services Fees**

Fees for project-based Financial Planning and Tax Planning and Preparation Services are billed at an hourly rate with a range from \$100 to \$500 per hour, depending on the level of the individual performing the service. Fees are due monthly in arrears. These fees are negotiable and are established as stated in the client's engagement letter.

### **Agreement Terms and Termination**

A client may terminate its engagement with written notice to LKB and will be effective upon receipt. Upon termination, fees paid in advance will be prorated and any unearned portion will be returned to the client. The refund will be calculated based on the number of days remaining in the billing period after the date of termination. Fees paid in arrears will be pro-rated and any earned portion will be due to LKB. The fee will be calculated based on the number of days during the billing period that the account was managed before the date of termination.

### **Other Fees**

LKB's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to LKB's fee, and LKB shall not receive any portion of these commissions, fees, and costs.

### **General Information on Compensation**

In certain circumstances, fees and payment terms are negotiable depending on client's unique situation. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.



## **Item 6: Performance-Based Fees and Side-by-Side Management**

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Neither LKB nor any of its Supervised Persons (employees) accepts performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

LKB does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## Item 7: Types of Clients

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As described in Item 4, LKB's clients include individuals, high net worth individuals and their families.

### **Account Minimums**

LKB has no contractual minimum investment size for clients.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

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### Methods of Analysis and Investment Strategies

Developing an investment strategy for clients begins with a thorough understanding of a client's overall financial situation. LKB reviews a client's long-term goals, asset sufficiency and risk tolerance before making investment recommendations. LKB believes the asset allocation of a portfolio is the primary driver of long-term returns and risk. LKB also believes in the importance of diversification across various asset classes and assists clients in developing target allocations for their portfolio. Once an asset allocation plan is developed, LKB will recommend specific mutual funds or ETF's and will assist in implementing those recommendations. LKB will also serve as an objective advisor in assessing other money managers for clients and will often take on the role of coordinator of their various investment managers. In a declining market, asset allocation recommended by LKB does not assure profit or protection against loss.

### Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

**All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with your investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. You should be prepared to bear the following risk of loss:**

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its

income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Cybersecurity Risk:** A breach in cyber security refers to both intentional and unintentional events that may cause an account to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause an account to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures, and/or financial loss.
- **Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.

LKB reserves the right to advise clients on any other type of investment that it deems appropriate based on the client's stated goals and objectives. LKB may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship or on any investment on which the client requests advice.

## Item 9: Disciplinary Information

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Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of LKB or the integrity of LKB's management. LKB and its management persons have never had any legal or disciplinary disclosures.

## **Item 10: Other Financial Industry Activities and Affiliations**

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### **Financial Industry Activities – Broker-Dealers**

LKB is not registered as a broker-dealer, and none of its management persons are registered representatives of a broker-dealer.

### **Financial Industry Activities – Futures and Commodities**

Neither LKB nor any of its management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

### **Financial Industry Activities and Affiliations – Accountant or Accounting Firm**

Both Lyle K. Benson, Jr. and Chris Benson are Certified Public Accountants; and all tax and accounting services are provided through L.K. Benson & Company.

### **Other Investment Advisors**

LKB regularly recommends third party advisors (Independent Managers) to manage portions of client's portfolios. LKB selects Independent Managers based upon many factors including: their expertise in certain asset classes, knowledge of the investment issues and environment, reasonable fee structures for their services, the ability to communicate with LKB's clients, and historical performance compared to the relevant benchmarks. LKB maintains regular contact with Independent Managers and talk specifically about the client portfolios to prepare periodic reporting to clients. LKB also schedules an annual meeting or conference call to formally review Independent Managers. In this discussion LKB addresses the following points:

- Review current client portfolios
- Discuss performance relative to benchmarks
- Discuss staffing and personnel of manager
- Review fee structure
- Gather any additional information that is relevant to client portfolios

LKB does not receive any referral fees or compensation from these Independent Managers.

## Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

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LKB employees recognize the fiduciary duty to clients and understand the obligation of firm personnel to uphold that fundamental duty. Employees must comply with a Code of Ethics and Statement for Insider Trading. The Code describes LKB's high standard of business conduct, and fiduciary duty to its clients.

The Code's key provisions include:

- Statement of General Principles:
  - The duty to place the interest of client first;
  - Personal security transactions are conducted and reviewed to be consistent with the Code of Ethics and to avoid any actual or potential conflict of interest or any abuse of an employee's position of trust and responsibility;
  - Information concerning the identity of security holdings and financial circumstances of clients is confidential; and
  - Independence in the investment decision-making process is paramount.
- Policy on reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations

Chris Benson, Principal and Chief Compliance Officer, reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets, and that clients of LKB receive preferential treatment.

LKB's employees must acknowledge the terms of the Code of Ethics at least annually. In addition, all employees are required to sign a confidentiality agreement, which prohibits him or her from using confidential information for their own benefit. Any employee not in compliance with the Code of Ethics may be subject to termination.

Clients and prospective clients can obtain a copy of LKB's Code of Ethics by contacting Chris Benson, Principal and Chief Compliance Officer at (410) 494-6680 or [Chris@lkbenson.com](mailto:Chris@lkbenson.com).

### **Participation or Interest in Client Transactions – Personal Securities Transactions**

LKB and its employees may buy or sell securities identical to those recommended to clients for their personal accounts. LKB's Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of LKB will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities, primarily mutual funds, have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of

LKB's clients. In addition, the Code requires pre-clearance of many transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics and designed to reasonably prevent conflicts of interest between LKB and its clients.

**Participation or Interest in Client Transactions – Financial Interest and Principal/Agency Cross**

LKB and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest.

It is LKB's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. LKB will also not cross trades between client accounts.



## Item 12: Brokerage Practices

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### **Research and Other Soft Dollar Benefits**

LKB does not receive formal soft dollar benefits other than execution from broker/dealers in connection with client securities transactions. See disclosure below in “Directed Brokerage – Other Economic Benefits.”

### **Brokerage for Client Referrals**

LKB does not receive client referrals from broker/dealers.

### **Brokerage Recommendations**

LKB periodically recommends brokers or money managers to clients to manage specific aspects of their portfolio. Selection is based on the particular asset class, expertise of the broker or manager, performance, and fee structure. Brokers or dealers may be recommended at a client's request. Many factors are analyzed including costs, service and support, historical performance, prior to the recommendation to determine which broker is best suited to the client's needs. LKB regularly monitors the performance of the outside brokers.

Based on LKB's current relationship with Charles Schwab & Company, LKB is able to provide its clients the benefits of:

- Low commission cost for select trades placed through the client's Schwab account.
- Access to a broad universe of mutual funds, ETFs and CDs for client's accounts held at Charles Schwab.

### **Client Directed Brokerage**

The client may direct LKB to use a particular broker-dealer (subject to the LKB's right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and LKB will not seek better execution services or prices from other broker-dealers or be able to “batch” the client's transactions for execution through other broker-dealers with orders for other accounts managed by LKB. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In the event that transactions for client accounts are affected through a broker-dealer that refers investment management clients to the LKB, the potential for conflict of interest may arise.

### **Directed Brokerage – Other Economic Benefits**

LKB may recommend/require that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although LKB may recommend/require that clients establish accounts at Schwab, it is

the client's decision to custody assets with Schwab. LKB is independently owned and operated and not affiliated with Schwab.

Schwab provides LKB with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. These services are not contingent upon LKB committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For LKB client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Advisor Services also makes available to LKB other products and services that benefit LKB but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of LKB's accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist LKB in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of LKB's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help LKB manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to LKB.

Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to LKB. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of LKB personnel. In evaluating whether to recommend or require that client's custody their assets at Schwab, LKB may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix

of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

### **Trade Aggregation**

Trade aggregation is the act of trading a large block of a security in a single order. Shares of a purchased security are then allocated to the appropriate accounts in the appropriate proportion. The main purposes of order aggregation are (i) for ease of trading and (ii) to obtain a lower transaction cost associated with trading a larger quantity. LKB does not aggregate or block trades. As a result, clients purchasing securities around the same time may receive a less favorable price than other clients. In addition, not aggregating trades may result in higher transaction costs, as a client will not benefit from lower transaction cost which might be achieved if the trade was aggregated.

## Item 13: Review of Accounts

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### **Reviews**

Lyle K. Benson, Jr., President, and Chris Benson, Principal, review all accounts internally on a quarterly, semi-annual, or annual basis, depending on the client's engagement letter. More frequent reviews may occur due to the client's individual circumstances, economic conditions, or general factors affecting the financial markets. LKB attempts to schedule meetings with clients at least on an annual basis or more frequently if desired by the client or if circumstances warrant.

### **Reporting**

LKB provides clients access to an online performance reporting system with daily performance updates, in addition to reports received from the custodian. Clients are able to view, among other things, securities held, transactions in the account in the past quarter, security cost, security market value and performance returns as well as advisory fees paid to LKB. LKB also provides paper or PDF copies of reports at the client's request or on a periodic basis as agreed upon with the client.

## Item 14: Client Referrals and Other Compensation

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### **Other Compensation**

LKB does not receive any formal economic benefits (other than normal compensation as described in Item 12) from any firm or individual for providing investment advice.

### **Compensation – Client Referrals**

LKB does not make or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## Item 15: Custody

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### **Custody – Fee Debiting**

Both LKB's Investment Advisory Agreement and the custodian's custodial/clearing agreement may authorize the custodian to debit the account for the amount of the LKB's investment management fee and to directly remit that management fee to LKB. Client investment assets will be held with a custodian agreed upon by the client and LKB. The custodian is advised in writing of the limitation of LKB's access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to LKB.

### **Custody – First Party Money Transfers**

Clients may provide LKB with written ongoing authorization to wire money between the client's accounts held with the qualified custodian directly to an outside financial institution (i.e., a client's bank account). A copy of this authorization is provided to the qualified custodian. The authorization includes the client's name and account number(s) at the outside financial institution(s) as required.

### **Custody – Trusteeship/Executor/Officer**

LKB or a related person acts as trustee for client trusts or as executor for client estates. This form of custody is offered on a limited basis. LKB complies with the SEC's Custody Rule with regard to the custody of the trust / estate assets; annually the Firm is subject to a Surprise Examination by an independent accountant.

### **Custody – Check Signing Authority/Bill Paying**

LKB or a related person has check signing authority over certain client accounts only with client authority. This form of custody is offered on a very limited basis. LKB complies with the SEC's Custody Rule with regard to the check signing authority; annually the Firm is subject to a Surprise Examination by an independent accountant.

### **Custody – Account Statements**

As described above and in Item 13, clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the account statements or other reports that LKB provides. LKB statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

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LKB may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows LKB to execute trades on behalf of clients.

When such limited powers exist between the LKB and the client, LKB has the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, LKB may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to LKB in writing.

If LKB has not been given discretionary authority, LKB consults with the client prior to each trade.

## Item 17: Voting Client Securities

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LKB does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for securities maintained in their portfolios; clients receive proxies directly from either custodians or transfer agents.

If requested, LKB may provide advice to clients regarding proxy votes and legal proceedings. If any conflict of interest exists, it will be disclosed to the client. Clients may contact Chris Benson, Principal and Chief Compliance Officer at (410) 494-6680 or [Chris@lkbenson.com](mailto:Chris@lkbenson.com) for information about proxy voting.



## **Item 18: Financial Information**

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LKB has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

LKB is not required to provide a balance sheet; LKB does not require prepayment of fees of both more than \$1,200 per client, and more than six months in advance.

## Form ADV Part 2B – Investment Adviser Brochure Supplement

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**L.K. BENSON  
& COMPANY**

**Form ADV Part 2B**

### **Investment Adviser Brochure Supplement**

1107 Kenilworth Drive, Suite 302

Towson, MD 21204

410-494-6680

[www.lkbenson.com](http://www.lkbenson.com)

**Supervisor's Name and Supervised Person: Chris Benson**

**Supervisor of:**

Lyle K. Benson

March 2023

This Brochure Supplement provides information about the Firm's ("we," "us," "our") employees that supplements our Brochure. You should have received a copy of that Brochure. Please contact Chris Benson, Principal and Chief Compliance Officer at (410) 494-6680 or [Chris@lkbenson.com](mailto:Chris@lkbenson.com) if you did not receive our Brochure or if you have any questions about the contents of this Supplement.

Additional information about our employee(s) referenced above is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search this site using a unique identifying number, known as a CRD number for each employee.

## Item 2: Educational Background and Business Experience

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### **Education and Business Background**

All individuals that give advice on behalf of LKB must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.

### **Supervised Persons**

***Lyle K. Benson, Jr.***  
**CRD #: 4363773**

Born 1958

#### **Business Background:**

L.K. Benson & Company, P.C.  
President

2019 to Present

L.K. Benson & Company, P.C.  
President and Chief Compliance Officer

1994 to 2019

Coyne & McLean  
Partner

1985 to 1994

McLean, Kohler, Sparks & Hammond  
Manager

1981 to 1985

#### **Formal Education after High School:**

Loyola College, Baltimore, Maryland  
Bachelor of Arts, Accounting

University of Baltimore, Baltimore, Maryland  
Master of Science, Taxation

#### **Professional Designations:**

Certified Public Accountant (CPA)  
Personal Financial Specialist (PFS)  
CERTIFIED FINANCIAL PLANNER™ (CFP®)

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***Chris Benson***  
**CRD #: 6199681**

Born 1982

#### **Business Background:**

L.K. Benson & Company, P.C.  
Principal and Chief Compliance Officer

2019 to Present

L.K. Benson & Company, P.C.  
Principal

2009 to 2019

Grant Thornton, LLP  
Manager

2004 to 2009

**Formal Education after High School:**

Bucknell University, Lewisburg, Pennsylvania  
Bachelor of Science, Business Administration

University of Baltimore, Baltimore, Maryland  
Master of Science, Taxation

**Professional Designations:**

Certified Public Accountant (CPA)  
Personal Financial Specialist (PFS)

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**Professional Certifications**

Our Supervised Persons maintain one or more of the following professional designations, which required the following minimum requirements:

***Certified Public Accountant (CPA)***

<b>Issued By</b>	State Boards of Accountancy
<b>Prerequisites</b>	Candidate must meet the following requirements: <ul style="list-style-type: none"><li>• Minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA);</li><li>• Successful passing of the Uniform CPA Examination</li></ul>
<b>Education Requirements</b>	At minimum, a college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting)
<b>Exam Type</b>	Uniform CPA Examination
<b>Continuing Education Requirements</b>	Completion of 40 hours of continuing professional education each year (or 80 hours over a two-year period) in order to maintain a CPA license

***Personal Financial Specialist (PFS)***

<b>Issued By</b>	American Institute of Certified Public Accountants (AICPA)
<b>Prerequisites</b>	Candidate must meet the following requirements: <ul style="list-style-type: none"><li>• Must hold an unrevoked CPA license;</li></ul>

- Fulfill 3,000 hours of personal financial planning business experience;
- Complete 80 hours of personal financial planning continuing professional education credits;
- Pass a comprehensive financial planning exam (PFS Exam); and
- Be an active member of the AICPA

<b>Education Requirements</b>	Must meet minimum education requirements for CPA.
<b>Exam Type</b>	PFS Exam
<b>Continuing Education Requirements</b>	Completion of 60 hours of financial planning continuing professional education credits every three years

#### **Certified Financial Planner™ (CFP®)**

<b>Issued By</b>	Certified Financial Planner Board of Standards, Inc. Candidate must meet the following requirements:
<b>Prerequisites</b>	<ul style="list-style-type: none"> <li>• A bachelor's degree (or higher) from an accredited college or university, and</li> <li>• 3 years of full-time personal financial planning experience</li> </ul>
<b>Education Requirements</b>	Candidate must complete a CFP®-board registered program, or hold one of the following: <ul style="list-style-type: none"> <li>• CPA</li> <li>• ChFC</li> <li>• Chartered Life Underwriter (CLU)</li> <li>• CFA</li> <li>• Ph.D. in business or economics</li> <li>• Doctor of Business Administration</li> <li>• Attorney's License</li> </ul>
<b>Exam Type</b>	CFP® Certification Examination
<b>Continuing Education Requirements</b>	30 hours every 2 years

### **Item 3: Disciplinary Information**

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LKB and its - Supervised Persons have never had any legal or disciplinary disclosures.

### **Item 4: Other Business Activities**

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Disclosure on Outside Business Activities is provided in Form ADV Part 2A Item 10 – Other Financial Industry Activities and Affiliations above.

Both Lyle K. Benson, Jr. and Chris Benson are Certified Public Accountants. All tax and accounting services are provided through L.K. Benson & Company.

As disclosed in Form ADV Part 2A Item 5 – Fees and Compensation, neither LKB nor any Supervised Persons receive commissions, bonuses or other compensation based on the sale of securities or other investment products.

## **Item 5: Additional Compensation**

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No Supervised Person receives any economic benefit outside of regular salaries or bonuses related to amount of sales, client referrals or new accounts.

## **Item 6: Supervision**

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Chris Benson, Principal and Chief Compliance Officer, supervises all persons named in this Form ADV Part 2B Investment Adviser Brochure Supplement. Chris Benson. supervises these persons by holding regular staff, investment, and other ad hoc meetings. In addition, Chris Benson regularly reviews client reports, emails, and trading, as well as employees' personal securities transaction and holdings reports. Chris Benson may be reached at (410) 494-6680.