

Stephenson and Company, Inc.

June 18, 2020

FORM CRS

Stephenson and Company, Inc. is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and it is important for you, our client, to understand the differences. Additionally, 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 broker-dealers, investment advisers, and investing. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

We offer the following investment advisory services to retail investors: **Portfolio Management Services; Financial Planning Services; Pension Consulting Services; Investment Consulting Services**. Detailed information regarding our services, fees and other disclosures can be found in our Form ADV Part 2A by clicking this link <https://adviserinfo.sec.gov/firm/brochure/111453>. Please refer to Items 4, 7, 8, 13 and 16.

Account Monitoring: If you open an investment account with our firm, as part of our standard service we will monitor your investments on an ongoing basis.

Investment Authority: We manage investment accounts on a **discretionary** basis whereby you have given us the authority to decide which investments to buy or sell for your account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. We also offer **non-discretionary** investment management services whereby we will provide advice and recommendations as to investments to buy or sell in your account, but **you will ultimately decide** whether or not you approve these recommendations prior to implementation. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Investment Offerings: We provide advice on various types of investments. Our services are not limited to a specific type of investment or product.

Account Minimums and Requirements: In general, we do not require a minimum dollar amount to open and maintain an advisory account. However, investment consulting for retirement plan participants will be subject to a one-time set up fee of \$250 and an annual fee of \$1,000. We charge a minimum fee, depending on the type of financial planning or consulting service, which ranges between \$1,000 - \$2,000. At our discretion we may waive the stated minimum fee.

Key Questions to Ask Your 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?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A Brochure by clicking this link <https://adviserinfo.sec.gov/firm/brochure/111453>. Please refer to Items 5 and 6.

- **Asset Based Fees** - Advisory fees for investment management accounts are payable quarterly in arrears based on the balance at end of billing period. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to encourage you to increase the assets in your account, which creates a conflict;
- **Hourly Fees** - Hourly fees for investment consulting and financial planning are payable in arrears;
- **Fixed Fees** - Fees for Comprehensive or Modular Financial Planning may be paid 50% in advance with the remainder due upon completion of services rendered;
- Clients pay the following additional fees and/or expenses depending on the custodian and type of investments in their accounts. Examples of the most common fees and costs applicable to our clients are:
 - Custodial fees. Accounts held with SEI Private Trust Company (SPTC) are subject to custodial fees such as: wire fee, overnight mail fee, check stop payment fee, account closing fee and small account fee (if

- applicable);
- Transaction charges when purchasing or selling securities, mutual funds and ETFs;
- Other fees and expenses related to mutual funds and exchanged-traded funds. A mutual fund or ETF's expense ratio (charged by mutual funds or exchange trade funds as described in each fund's prospectus), generally includes fund management fees and other operating costs;
- Program fees. SEI accounts invested in SEI's Distribution Focused Strategies are charged Program Fees by SEI for providing administrative and recordkeeping services.

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.

Key Questions to Ask Your 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 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.

- Because some our revenue is derived from asset-based fees, we have an incentive to grow your account as much as possible. The more assets there are in a retail investor's account, the more a retail investor will pay in fees. This could cause us to recommend that you invest in positions that conflict with your interests in an attempt to grow your account.
- We do not make any money from our investment advisory services except as described above.

Refer to our Form ADV Part 2A Brochure Items 5, 10, 12 and 14, by clicking this link <https://adviserinfo.sec.gov/firm/brochure/111453>, to help you understand what conflicts exist.

Key Questions to Ask Your Financial Professional

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

How do your financial professionals make money?

The financial professionals servicing your account(s) are compensated in the form of a salary. The salary compensation is based on the amount of client assets they service, the time and complexity required to meet a client's needs, and the revenue the firm earns from the person's services or recommendations.

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

No, our firm and our financial professionals currently do not have any legal or disciplinary history to disclose. Visit Investor.gov/CRS for a free and simple research tool.

Key Questions to Ask Your Financial Professional

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

You can find additional information about your investment advisory services and request a copy of the relationship summary at 949-727-4255 or click the link provided <https://adviserinfo.sec.gov/firm/brochure/111453>.

Key Questions to Ask Your Financial Professional

- **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?**