

Lesa Sroufe & Co. (“LSC”) is registered with the Securities and Exchange Commission (“SEC”) as a Registered Investment Adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS) which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Our firm offers investment management and financial planning services to retail and institutional investors. We also provide research and recommendations to accounts sub-advised by LSC (termed a wrap-fee account). For wrap-fee accounts, LSC provides research, performs trading, and performance results, but does not have the primary relationship with the client. We assess financial goals and establish portfolio targets for risk and return objectives, tax circumstances and income needs. We are responsible for the recommendation to purchase and sell securities, based upon our inhouse research. Other services are proxy voting, mandatory retirement distribution, and performance reporting. Quarterly investment performance reporting includes benchmarking your portfolio’s performance against comparable indices. We have discretionary authority by written client agreement to buy, sell, trade and allocate investments. This authority can be absolute or subject to certain restrictions. Our focus is on selection of equities generally considered to be All-Cap, Global Value stocks, as well as fixed income securities. We do not provide recommendations on privately held investments. We generally require a \$100,000 initial investable assets per client relationship and no ongoing minimum to maintain an account. For more detailed information about our advisory business, please see Part 2A and Part 2B of Lesa Sroufe & Co.’s Form ADV).

### *Here are some questions you can use to start a conversation with 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?*

You will pay a mutually-agreed upon fee for our services, no more than .80% or 80 bps, annually for all-equity accounts, and lower for accounts with bonds. These fees are considered ongoing investment charges and will rise according to the growth of the account. With respect to conflicts of interest, the more assets in a retail investor’s advisory account, the more the he pays in fees, so the Firm may therefore have an incentive to encourage the retail investor to increase the assets in his or her account. If the client account is in a wrap-fee program, the overall fees will include transaction costs and fees to a broker-dealer or custodian bank and therefore are higher than typical asset – based advisory fees. 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. For additional information on the fees you will pay, please see Form ADV Part 1A, Items 5 of our Form ADV Part2A brochure.

*Here is a question you can use to start a conversation with 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 our investment advice. Here are some examples to help you understand what this means:

We recommend that most of our clients use Charles Schwab as their custodian. Schwab does not directly compensate us for making this recommendation, but we do receive services, such as trading, that allow us to administer our clients' accounts. Trading your account with Schwab may impact you getting the best execution price on transactions. We do active price discovery during trading, at times instituting price limitations.

For additional information, refer to Items 5,6,11,12 and 14 of our Form ADV Part 2A Brochure.

*Here is a question you can use to start a conversation with your financial professional:*

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

***HOW DO YOUR INVESTMENT PROFESSIONALS MAKE MONEY?***

All compensation (salary, bonus and profit-sharing) is a function of the firm's overall revenues from advisory fees which creates an incentive to find and retain clients. Our financial professionals are paid an annual salary and an annual bonus, based on the firm's profitability and the individuals job performance. All financial professionals participate in our firm's retirement program and we make contributions to each employees account. Financial professionals that are shareholders of our firm also receive profit sharing in the form of dividend payments. When a client is referred to the company by a financial professional (other than the CEO) they receive a small percentage of each management fee (.10 %, or 10 bps of the total fee).

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

None of the financial professionals at Lesa Sroufe & Co. have a legal or disciplinary history. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

***ADDITIONAL INFORMATION***

Additional information about our services is available at:

- [www.sroufeco.com](http://www.sroufeco.com)
- <https://adviserinfo.sec.gov/firm/summary/130232> If you would like additional, up-to-date information or an additional copy of this CRS, please call (206)838-8385. You can also contact us by email at [info@sroufeco.com](mailto:info@sroufeco.com).

*Here are some questions you can use to start a conversation with 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?*