

## **The Edgar Lomax Company**

### **Form ADV Part 3 Customer Relationship Summary**

#### **Introduction**

The Edgar Lomax Company (“ELC”) is registered with the Securities and Exchange Commission (SEC) as an 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 Portfolio Management services to retail investors. Account supervision is guided by your stated objectives. We offer two large-cap value portfolios: domestic and international. Based on your financial situation, investment goals and tolerance for risk, we manage your portfolio in one or both of these styles. Accounts are managed on a discretionary basis; in other words, ELC will place trades in your account without obtaining specific permission for each trade. The recommended account size for a managed portfolio is \$10 million; however, this minimum may be negotiable. Accounts are reviewed continuously.

**For additional information, please see Items 4, 8 and 13 of our Form ADV, 2A Brochure (Part 2A) available at: [https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=637398](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=637398)**

***Conversation Starter.*** We encourage you 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?**

You will pay an annual fee based on the amount of assets in your account. We typically charge 1.00% of managed assets for the first \$10 million, 0.75% of the next \$10 million, and 0.50% for assets above \$20 million. Fees are negotiable. Our fees are generally billed in arrears at the end of each calendar quarter.

It is important to understand that the more assets held in a retail client’s account, the more the client will pay in fees. We therefore have an incentive to encourage a client to increase the assets in his/her account. Similarly, we have an incentive to recommend that clients invest using strategies that pay us higher fees.

ELC’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 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 ELC’s fee, and ELC shall not receive any portion of these commissions, fees, and costs.

ELC is an investment adviser to Advisors Series Trust, a Delaware Business Trust, on behalf of a series of the trust, the Edgar Lomax Value Fund. The trust is an open-end investment management company and the fund’s investment objective is growth and income. Investments in the Edgar Lomax Value Fund will not be included in the calculation of your advisory fee.

**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, please see Item 5 of our Form ADV, 2A Brochure (Part 2A) available at: [https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=637398](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=637398)**

**Conversation Starter.** We encourage you 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 providing recommendations as my broker-dealer or 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

- As mentioned above, the more assets the client has in his/her account, the more we receive in fees. We therefore have an incentive to encourage a client to increase the assets in his/her account.
- ELC does manage the Edgar Lomax Value Fund, so we do have side-by-side management potential or actual conflicts of interests to the extent investment opportunities may be available and allocated among the various clients. ELC, as a fiduciary to our clients, has adopted allocation policies for the fair and equitable treatment of all clients.

**Conversation Starter.** We encourage you to ask your financial professional:

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

For additional information, please see Item 5 of our Form ADV, 2A Brochure (Part 2A) available at:

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### How do your financial professionals make money?

Our financial professionals are compensated through an agreed upon salary plus a discretionary bonus based on overall firm profitability. Financial professionals may receive additional compensation for obtaining new clients. In theory, even a discretionary bonus based on firm profitability can create conflicts as the financial professional may be incentivized to seek new clients and increase managed assets, rather than service existing accounts.

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

Neither our firm nor our financial professionals have any legal or disciplinary history. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter.** We encourage you to ask your financial professional:

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*
- *Is he or she a representative of an investment adviser or broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*

### Additional Information

If you would like additional, up-to-date information or a copy of this relationship summary or our Form ADV, Part 2A Brochure, please call (703) 719-0026.