

Scott & Selber, Inc.
FORM CRS – CUSTOMER RELATIONSHIP SUMMARY
October 2021

Introduction:

Scott & Selber, Inc. 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, which also provides educational materials about broker-dealers, investment advisers, and investing.

Relationship Services:

What investment services and advice can you provide me?

We offer investment advisory services to retail investors by managing financial assets on a discretionary basis. Each client has a single separate account or sometimes multiple accounts custodied at a brokerage firm. Our firm maintains investment authority to buy and sell securities in these separate brokerage accounts on behalf of each client. The suggested minimum account size to establish a relationship is \$500,000 in assets under management.

When managing our client accounts, we invest only in publicly traded securities. Securities purchased for client accounts may include one or more of the following types -- common stocks, exchange-traded funds, preferred stocks, convertible stocks, convertible bonds, corporate bonds, taxable municipal bonds, tax-exempt municipal bonds, asset-backed bonds and mutual funds. Through a variety of electronic information systems, we monitor the portfolios of our investment advisory clients on an ongoing basis and at least on a quarterly basis. Written reports are provided to clients quarterly and are always available at any time upon request by the client. Such reports will show a detailed list of holdings, cost, market value, estimated income, and sector diversification.

Please note that our discretionary investment authority is limited to buy and sell decisions in the client's brokerage account.

For additional information, please see Form ADV, Part 2A brochure (Items 4 and 7).

- 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?

Fees, Costs, Conflicts of Interest:

What fees will I pay?

Our fees are calculated as a percentage of the fair market value of assets under management. Fees are payable quarterly in advance. While we generally adhere to the standard fee schedule presented in our Form ADV Part 2, fees are subject to adjustment or negotiation. Upon termination, any fee paid in advance will be promptly refunded on a pro-rata basis. A client may elect to pay our fees directly or authorize to have them deducted from their account. **The more assets there are in your advisory account, the more you will pay in fees; thus, the firm may have an incentive to encourage you to increase the assets in your account.**

Clients will incur charges from Financial Institution(s) and other third parties such as brokerage commissions, custody fees, exchange fees, SEC fees, mutual fund fees, exchange traded fund fees, wire transfer and electronic fund processing fees. **Finally, please understand that 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.** Make sure you understand what fees and costs you are paying. Please see Form ADV, Part 2A brochure (Items 5 and 6) and other applicable documents.

What are your legal obligations to me when acting as my investment adviser?

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 give to you.

How else does your firm make money and what conflicts of interest do you have?

We use Charles Schwab, as custodian for the majority of our clients. Charles Schwab's services include research, brokerage, custody and access to mutual funds and other investments that are otherwise available only to institutional investors. Some of these other products and services assist us in managing and administering clients' accounts but may not always directly benefit you, our client.

How do your financial professionals make money?

Information about our fees and conflicts of interest can be found in our Form ADV, Part 2A (Items 5-12). Our investment professionals are compensated directly from the operating profit earned by the firm. Specific levels of compensation are determined by each professional's overall contribution to the services delivered to our clients. Because our clients are charged a fee based on assets under management, our compensation is tied closely to the collective growth in the market value of our clients' accounts.

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

Disciplinary History**Do your financial professionals have legal or disciplinary history? For what type of conduct?**

No. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

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

Additional Information:

If you would like additional, up-to-date information or a copy of this disclosure, please email toby@scottandselber.com or call 713-850-1717.

- 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?