

A Summary of Your Advisory Relationship with Chapman Investment Management, LLC

Chapman Investment Management, LLC is registered with the Security and Exchange Commission as an investment adviser. Chapman Investment Management, LLC is not a broker-dealer. Brokerage and investment advisory services and fees are different and it is important for you to understand the difference. Please see www.Investor.gov/CRS which is an SEC-sponsored website that provides free and simple educational information about investment advisors, broker-dealers, and investing.

“What investment services can you provide me?”

We develop investment plans for clients to meet their financial objectives and we continue to monitor the investments and update the plans as appropriate to meet their goals. Once we agree on a plan, we will invest, on a discretionary basis, in publicly traded securities that we believe will help reach those goals. We invest for taxable and non-taxable accounts. We do not offer financial planning services that cover estate planning, tax services, insurance products, real estate, or private placements.

“Given my financial situation, should I choose an investment advisory service? Why or why not?”

An investment advisory service is an excellent choice for investors who don't have the time or inclination to make their own choices on individual investments. An investment advisor typically researches and selects appropriate investments for you. If you prefer to make the individual investments yourself, you may consider a broker-dealer who will typically make recommendations for you and you pay a commission for each investment purchased or sold.

“How will you choose investments to recommend to me?”

We will choose investments that are suitable for your investment goals based on our investment process and on a discretionary basis. Please refer to our website which describes our investment process in more detail at www.chapmaninvestment.com/investment-process and on Form ADV Part 2 at www.chapmaninvestment.com/media-documents.

“What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?”

Scott Chapman has over 30 years of experience evaluating and managing investments. He has an MBA – Finance and earned the Chartered Financial Analyst (CFA) designation. A CFA is a globally recognized professional designation given by the CFA Institute that measures and certifies the competence and integrity of financial analysts which includes passing three levels of exams covering accounting, ethics, portfolio management, and security analysis.

“What fees will I pay?”

Fees are assessed quarterly in arrears based on a percentage of assets under management at the end of each calendar quarter. 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. Currently Charles Schwab & Co. does not charge custodial fees or commissions on trade executions for publicly traded stocks. We generally do not invest in mutual funds, but if we sell one that you own, there may be a sales fee charged by the mutual fund company.

“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?”

If you give Chapman Investment Management, LLC \$10,000 to invest in equities, you will pay 1.00% of assets under management annually, or \$100 per year assuming the original \$10,000 is unchanged. As the original \$10,000 rises or falls, your fee percentage of 1.00% will remain the same, but the dollar fee will change. If the \$10,000 increases to \$12,000, the annual fee will increase to \$120 and if the \$10,000 falls to \$8,000, the annual fee will decline to \$80.

“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 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. For example, the more accounts we manage, the more fees we earn.

“How do your financial professionals make money?”

Scott A. Chapman is the only financial professional at Chapman Investment Management, LLC and he makes money from fees earned from managing assets under management. He doesn't earn sales commissions or make money from products sold.

“Do you have any legal or disciplinary history?”

No.

“Who is my primary contact person?”

Scott A. Chapman, CFA