



HOWARD BAILEY
RETIRE WITH PURPOSE

Client Relationship Summary
June 30, 2020

1. Introduction

Our name is Howard Bailey Securities, LLC (“HBS”). We are registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser. The services offered and fees charged by an investment adviser differ from those of broker-dealers and it is important that you understand the differences. Free and simple tools are available to research investment adviser firms, broker-dealers, and their financial professionals at www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

2. Relationships and Services: What investment services and advice can you provide me?

HBS offers investment advisory and asset management services to retail investors. Specifically, HBS provides personalized financial and retirement planning with no official requirements for establishing a client relationship. Our advice typically includes determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning. As part of our standard service, we regularly monitor our clients’ investments; the frequency of monitoring depends on the nature of the investment and the needs of the client. Our investment advisory services are primarily discretionary.

Conversation Starters:

- *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?*

Additional Information. More detailed information about our services is contained in our Form ADV Part 2A (Items 4 and 7) available here: https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=633410 (“Brochure Link”).

3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Our principal fees are based on clients’ assets under management and are negotiated based on the following scale: a maximum 1.35% on portfolios between \$0 and \$2mm, subject to lower fees based on the entirety of the relationship (for example, credit for clients who pay a commission for insurance planning) with negotiable fees on portfolios large than \$2mm. For some clients we have fixed fee arrangements, though those arrangements are usually temporary. We bill clients either monthly or quarterly. Our fee billing approach creates a conflict of interest insofar as clients for whom we manage more assets pay higher fees. We mitigate the conflict by following procedures designed to ensure that investment opportunities are fairly allocated among our clients.

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. Mutual funds, ETFs and private funds recommended by HBS generally charge management fees and/or performance fees, plus a number of different types of expenses involved in offering and managing a fund. These fees and expenses are disclosed in the relevant document (prospectus, private placement memorandum, etc.) for the investment.



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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 more information, please refer to the section entitled “Fees and Compensation”, “Fee Billing”, “Other Fees”, and “Performance-Based Fees” in our Disclosure Brochure. A link to our Disclosure Brochure can be found at the end of this document.

Conversation Starters:

- *Help me understand how these fees and costs might affect my investments.*
- *How much money will go to fees and costs?*
- *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.

Example. Our employees are allowed to trade securities in their personal accounts. Employees are required to preclear certain types of trades that have the potential to create a conflict of interest with clients.

Conversation Starters:

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

For more information on conflicts of interest, please see the sections entitled, “Fees and Compensation,” “Performance-Based Fees,” “Other Financial Industry Activities and Affiliations,” and “Brokerage Practices” in our Disclosure Brochure available at the Brochure Link.

How do your financial professionals make money?

We compensate our financial professionals based on personal performance and overall firm results. We evaluate personal performance based on client returns relative to client investment policy, client satisfaction, and the returns of investments on our investment menu for which the financial professional has primary responsibility. Financial professionals who are partners of the firm also receive a pro rata share of the firm’s profit.

4. Disciplinary History: Do you or your financial professionals have legal or disciplinary history?

No, we do not. Please visit www.Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters:

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

5. Additional Information

You can find additional information about our investment advisory services on the SEC’s website and on our website <https://howardbailey.com/>. You can request up-to-date information and a copy of our relationship summary by contacting us at (866)-482-9559.

Conversation Starters:

- *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?*