

## FORM CRS RELATIONSHIP SUMMARY – June 1, 2020

Johnson Rice & Company L.L.C. (“Johnson Rice”) is registered with the U.S. Securities & Exchange Commission as a broker-dealer that provides brokerage accounts and services. Johnson Rice is also registered with FINRA and a member of SIPC. Brokerage services and fees differ and it is important for the retail investor (“you” or “client”) to understand the 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.

### Q. What investment services and advice can you provide me?

- The brokerage services we provide include buying and selling securities and recommending investments to retail investors for commissions. We primarily offer listed equity securities through our trading desk. We do not offer investment advisory services, mutual funds, fixed income investments or options.
- We do not offer continuous monitoring to client accounts. A limitation of our monitoring system is that it is not always performed by our investment professionals, but instead client accounts are tested as part of an automated compliance process for adherence to investment guidelines. We are not required to monitor your portfolio or investments on an ongoing basis unless agreed to in advance.

#### **Conversation Starters:**

- *Given my financial situation, should I choose a brokerage 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?*

### Q. What fees will I pay?

In addition to and separate from the commissions charged for the purchase and sale of securities in your account, you typically will pay other costs and charges in connection with your account or securities transactions, most of which are payable to parties other than us. Common examples include exchange fees, taxes, costs associated with foreign exchange transactions, fees imposed in connection with your custodian, trustee or other account services and account service 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 as fully detailed in our **fee table**. The fee you pay is based on the specific transaction and not on the value of your account. We may charge you additional fees such as custodian fees, account maintenance fees, and account inactivity fees. The more transactions in your account, the more fees we will charge you. We therefore have an incentive to encourage you to engage in transactions.

#### **Questions to ask:**

*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?*

**Q. What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?**

When we provide you with a recommendation, 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 we provide you. Here are some examples to help you understand what this means.

- We make money by purchasing or selling securities in your account. We make less money if you buy and hold securities for an extended period of time. Therefore, we have an incentive to recommend transactions.

**Questions to ask:**

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

**Q. How do your financial professionals make money?**

Our financial professionals are paid a percentage of the commissions generated by your account. For those financial professional who are also employee owners (known as ‘partners’) of the firm, these financial professionals are also eligible to receive a share of the firm’s profits.

**Q. Do you or your financial professionals have legal or disciplinary history?**

No, we do not have any legal, financial or other disciplinary items that are material to our business with you. We are obligated to disclose any disciplinary event that we believe you would find material when evaluating us to initiate or continue a relationship with our firm. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals. For additional information about our brokers and services, visit <https://brokercheck.finra.org/>

**Questions to ask:**

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

**Additional information about our services:** If you have any questions about our brokerage services or if you wish to request a copy of our Relationship Summary, please contact [bmarcotte@jrco.com](mailto:bmarcotte@jrco.com). You can also call (504) 525-3767 for up-to-date information and request a copy of our Relationship Summary.

**Questions to ask:**

*Who is the primary contact person for my account? Is he or she a registered representative of a broker-dealer? If I have concerns about how this person is treating me, who can I talk to?*