

Introduction

IS AN INVESTMENT ADVISORY ACCOUNT RIGHT FOR YOU?

AULL & MONROE INVESTMENT MANAGEMENT CORP. (“Aull & Monroe”) is an investment adviser registered with the Securities and Exchange Commission. Services and fees provided by a brokerage firm differ from those provided by an investment advisory firm. It is important that you understand these differences. You should carefully consider which type of account and service is appropriate for you. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers and investing.

Relationships and Services

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Aull & Monroe provides investment advisory services to retail clients. These services include designing and continuously managing individualized portfolios based on your particular financial needs and outlook. As part of our standard services, we will review your financial situation, work with you to create a financial projection, develop a savings plan to achieve your goals and implement an investment portfolio in which we manage your investments on a **discretionary basis**. This means we make the decision regarding the purchase and sale of investments in your accounts for you. We monitor your portfolio on an on-going basis and review the account assets at least monthly. We encourage at least an annual meeting to maintain communication and to stay up-to-date on any changes in your financial situation; however, depending on your level of comfort or changing needs, additional meetings are always welcome.

Conversation Starters: Additional questions to ask us about relationships and services

- ❖ Given my financial situation, should I choose an investment advisory service?
- ❖ How will you choose investments appropriate for my investment portfolio?
- ❖ What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

Fees, Costs, Conflicts, and Standard of Conduct

WHAT FEES WILL I PAY?

Aull & Monroe is an **asset-based fee only** investment adviser. Fees are computed and paid quarterly (every 3 months) in arrears, and are $\frac{1}{4}$ of the annual fee that would be based on the net asset value of the assets (market value) at the end of each three month period. We do not charge additional fees to you for developing projections, planning or other services, but rather consider this as part of our standard services and as important to the on-going management of your financial portfolio. Aull & Monroe does not receive commissions nor does it receive compensation of any type for securities purchased in your account.

ASSETS UNDER MANAGEMENT	MAXIMUM ANNUAL FEE CHARGED*
Up to \$1 million	1.00%
Greater than \$1 million	0.80%
Greater than \$5 million	Negotiable

* We may, at our own discretion, negotiate fees based on certain situations (i.e. account composition, related accounts, anticipated future contributions, etc.)

You will pay fees and costs whether you make or lose money on your investments. These fees will reduce any amount of money you make on your investments over time. In addition to our fees, you may also pay additional fees to the broker/custodian such as commissions, annual maintenance fees, custodial fees or

mutual fund fee expenses. Aull & Monroe does not share in any of these charges. As part of our fiduciary duty to you, we will assist you in minimizing these additional fees.

Conversation Starters: Additional questions to ask us about fees and costs on investments

- ❖ **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 STANDARD OF SERVICE SHOULD I EXPECT FROM 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 provide you. Here are some examples to help you understand what this means. If your account is originally \$100,000 and grows in time to over \$500,000, you will make money; however, since our fee is based on assets under management, we will also earn more money in fees.

Conversation Starters: Additional questions to ask us about conflicts of interest

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

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

The only compensation our advisers receive is from the management fees charged to you. We do not receive any compensation or incentives from third parties for making recommendations of an investment, participate in revenue sharing or receive commissions for selling a certain product.

Disciplinary History

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. This information may be reviewed by visiting <https://www.investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.

Conversation Starters: Additional questions to ask us about disciplinary history

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

Additional Information

For additional information on our advisory services, see our Form ADV brochures at the following link: <https://adviserinfo.sec.gov/firm/summary/104830> or you may obtain a copy of our brochure or an updated Client Relationship Summary by contacting our office at (251) 342-3339.

Conversation Starters: Additional questions to ask us about contact and complaints

- ❖ **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?**