

A Summary of Your Advisory Relationship with The Baker Group LP

January 1, 2025

Introduction

The Baker Group LP (“TBG”) is registered as a broker-dealer with the U.S. Securities and Exchange Commission (“SEC”) and the Financial Industry Regulatory Authority (“FINRA”). The services, fees, and method of payment for services offered by a broker-dealer differ from the services, fees, and method of payment for services offered by an investment adviser. As a retail investor, it is important that you understand the difference. Free and simple tools to assist you in researching broker-dealers and their financial professional (“agent”) employees are available at 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 for me?

TBG is a broker/dealer and not an investment adviser, and the primary service it provides is the execution of fixed income securities transactions for commission or sales credit. TBG maintains two levels of brokerage services for its existing non-institutional investors: a **traditional brokerage Full-Service** level of account services and a **limited Self-Directed** level of account services, and each customer account is categorized as either “Active”¹ or “Inactive,” or “Dormant.” TBG makes available to its non-institutional account holders only certain fixed income securities. The recommendations and advice provided by TBG and/or its agent to a Full-Service non-institutional account are limited in scope and restricted to recommendations and advice with regard to U.S. Treasury bonds, U.S. agency bonds, municipal bonds, mortgage-backed securities, and certificates of deposit. Although the review of the securities holdings in a non-institutional customer account is neither routine nor a regulatory requirement of the broker-dealer, the agent assigned to a Full-Service non-institutional account may voluntarily review the securities holdings in a non-institutional customer’s account, and may, in turn, contact the account holder when an appropriate investment strategy presents itself or an event such as the call or the maturity of a bond occurs in their account. TBG’s **Self-Directed** level of account services offers the account holder access to the same fixed-income securities available under the Full-Service level of account services, however, a self-directed account may or may not be assigned to an agent. If assigned to an agent, a self-directed account may or may not be voluntarily monitored by the agent to which it is assigned, and the account holder may or may not be provided with guidance with respect to the holdings in their account. An account holder may proactively seek the guidance of their agent regarding a specific fixed income security or class of securities they wish to buy or sell, with the understanding that if the security is not one of the security types listed above, the agent may be unable to provide in-depth guidance or advice. If an account is not assigned to an agent, TBG is unable to provide any guidance with respect to the holdings in the account and encourages the account holder to transfer the account to an institution that can provide the guidance they require. Further, TBG will accept and execute purchases of the fixed income security types listed above and sales of the fixed income holdings in an account **only** at the account holder’s explicit request and with their explicit instruction regarding all aspects of the transaction. TBG has no account or investment minimum, however, it currently only accepts new accounts by request and on a case-by-case basis taking into consideration factors such as the level of compliance risk the investor presents, the investor’s relationship with the firm and/or its agent, as well as the investor’s experience, objectives, and desired level of service. TBG does not currently accept discretionary authority over any customer account. Only new accounts that will be assigned to an agent are permitted to be opened.

Additional Information: Accounts held at Pershing LLC will receive account statements, trade confirmations, and all other information related to their account directly from Pershing LLC at least once per calendar quarter. Accounts that settle on a delivery-versus-payment basis through TBG will receive account statements, trade confirmations, and all other information related to their account directly from TBG. TBG account statements are only issued for months during which the account holder executed one or more securities transactions.

Ask Your Agent - 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 and Standard of Conduct

“What fees will I pay?”

¹ An “Active” account executes at least one qualifying securities transaction per year, an “Inactive” account executes less than one qualifying transaction per two-calendar-year period, and a “Dormant” account executes less than one qualifying transaction per three- or more calendar-year period.

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. We receive compensation for the sale of products and services which include markups on fixed income securities. Fixed income transactions include a markup that varies based on the type of fixed income security and the total amount of the transaction. When TBG buys or sells a fixed income security to/from a non-institutional investor, it will do so at a price, including any markup or markdown, that is fair and reasonable.

Pershing LLC fees and costs: a transaction fee per trade; an annual custodial fee for tax-qualified accounts; an annual inactivity fee for accounts that do not trade at least once during a calendar year; a one-time fee to process any outgoing full account transfer; and a one-time fee to close any tax-qualified account. TBG does not receive any portion of these fees.

Ask Your Agent - "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?"

Standard of Conduct/Conflicts of Interest

"What are your legal obligations to me when providing recommendations? How 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 fees we earn may create conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you with. Here are some examples to help you understand what this means. TBG profits from transactions and distributes profits to its general partner, James Baker Group ("JBG"). Your agent may be a shareholder of JBG and may receive residual profits. Supervisors and agents benefit financially from the recommendations provided and an agent's payout may increase with overall production. Compensation arrangements can create an incentive for an agent to recommend products that generate greater revenues. To mitigate the impact of conflicts of interest that arise from an agent's compensation, TBG will monitor transactions and periodically review compensation arrangements to ensure compensation is not excessive. TBG has implemented markup policies, agent training and continuing education, customer disclosure about compensation practices, suitability reviews of recommended transactions, and surveillance for activity inconsistent with client interests to ensure investors are charged fair prices.

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

"How do your financial professionals make money?"

Our financial professionals get paid a percentage commission of the total profit of a trade as agreed upon by TBG and the financial professional. TBG's profit is based upon the type and amount of security traded.

Disciplinary History

"Do you or your financial professionals have legal or disciplinary history?"

Yes. Free and simple tools to assist you in researching broker-dealers and their financial professional employees are available at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Additional Information: If you have any questions about our services, need up-to-date information, or if you wish to request a copy of the relationship summary, please contact us at (800) 937-2257 or (405)415-7202, or via email at regulatory@gobaker.com. Additional information about TBG is also available on FINRA's website at https://files.brokercheck.finra.org/firm/firm_7888.pdf

Ask Your Agent - Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?