

# Henley & Company LLC - Client Relationship Summary

## June 23, 2020

### INTRODUCTION

Henley & Company LLC (We, our, or Firm) is registered with the Securities and Exchange Commission (SEC) as a broker-dealer. We are also a member of the Financial Industry Regulatory Authority (FINRA), the Securities Investor Protection Corporation (SIPC), and the Municipal Securities Rulemaking Board (MSRB). Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.

Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer brokerage services to retail investors, including buying and selling securities.

We service many account types, including but not limited to Individual, Joint, Corporate, Institutional, and Retirement Accounts. We provide recommendations to our customers regarding buying and selling securities, including equities, options, bonds, mutual funds, ETFs, various alternative investments, annuities, and initial public offerings (IPOs). Although our Firm's investment advice will cover a broad selection of investments/securities, other firms could provide advice on a wider range of choices, some of which might have lower costs.

We are available to assist you in understanding your account and investments through the use of your statements and confirmations, but we do not monitor your account, your investments (including those we recommend), or their performance as part of our brokerage services.

We will service both "non-discretionary" and "limited discretionary" accounts. "Non-discretionary" meaning that you, the investor makes the ultimate decision regarding the purchase or sale of investments in your account. "Limited discretionary" meaning that you have given written authorization for your registered representative to make the decisions regarding purchase or sale of investments in your account.

We do not offer any proprietary products.

The Firm does not have any account minimum requirements to open or maintain your account. However; eligibility requirements may apply.

**For additional information**, please see our Regulation Best Interest Disclosure, and visit [www.henleyandcompany.com](http://www.henleyandcompany.com) for more detailed information about your services

### WHAT FEES WILL I PAY?

As a retail investor you will incur certain fees and costs for brokerage services. Fees and costs affect the value of your account over time.

You will pay a transaction-based fee, generally referred to as a commission, when you buy or sell an investment. The fee that you pay is based on the specific transaction and not the value of your account. With stocks, options, or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a "mark-up" or "mark down"). With IPOs, the fee is part of the price you pay for the investment as well. With mutual funds, this fee (typically called a "load") reduces the value of the investment. Some investments (such as mutual funds and annuities) impose additional fees that reduce the value of your investment over time. These additional mutual fund fees called "12b-1" fees are in connection with the sale or holdings of mutual funds. More detailed information is available in the individual prospectuses for each fund. In addition, with certain investments, such as annuities, you may have to pay fees ("surrender charges") to sell the investment.

Our fees will vary and are negotiable. The payment of these fees can depend on the type of investment, how much you buy or sell, and the price of the investment. These fees are incurred at the time of each transaction.

We charge additional fees, such as account maintenance fees, inactive account fees, custodian fees, statement and confirm fees, transfer fees, and fed fund fees. Some of these fees may occur annually while others occur at the time the activity occurs.

**Conversation Starters.** Ask your financial professional:

- **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?**

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The more transactions in your account, the more fees are charged. Therefore, we have an incentive to encourage you to engage in transactions.

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.

**Conversation Starters.** Ask your financial professional:

- **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?**

**For additional information**, please see our Regulation Best Interest Disclosure, and visit [www.henleyandcompany.com](http://www.henleyandcompany.com) for more detailed information about your fees.

### 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 can buy investments from you, and sell investments to you, from our own accounts (called “acting as principal”). We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.

We have an incentive to offer or recommend certain investments, such as money market funds, because the manager or sponsor of those investments shares with us revenue it earns on those investments.

We have an incentive to offer or recommend utilizing margin because our clearing firm shares with us revenue it earns on assets on margin. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

**Conversation Starters.** Ask your financial professional:

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

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### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Financial Professionals are paid a percentage of the transaction fee (“commission”) on each transaction made in your account. A financial professional’s compensation may also include sales credits, sales loads, sales charges, fees, selling, concessions, and markups or markdowns. The more transactions in your account, the more fees are charged. Therefore, your financial professional has an incentive to encourage you to engage in transactions.

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

Yes. You can visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and financial professionals.

**Conversation Starters.** Ask your financial professional:

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

### ADDITIONAL INFORMATION

**For additional information** about our services, please see our Regulation Best Interest disclosure and visit [www.henleyandcompany.com](http://www.henleyandcompany.com). If you would like additional, up-to-date information or a copy of this disclosure, please call 516-794-5520.

**Conversation Starters.** Ask your financial professional:

- **Who is 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?**