

# Form Client Relationship Summary

March 11, 2022



## Item 1. Introduction

C. W. Henderson & Associates, Inc. ("CWH") is registered with the U. S. Securities and Exchange Commission ("SEC") as an investment advisor. Clients and prospective clients should be aware that investment advisory and brokerage services differ and it is important for retail investors to understand the differences. Free and simple tools are available to research advisory firms at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about investment advisors, broker-dealers and investing.

## Item 2. Relationships and Services

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

**Services:** CWH offers discretionary investment advisory services to retail investors. Client assets are managed through separately managed accounts and primarily invested in municipal securities. In some cases, clients assets are also invested in U.S. Treasury and Agency securities. Two primary types of municipal bond portfolio products are offered to clients: Intermediate and Short-Term portfolios. Clients are generally allowed to impose reasonable restrictions on the construction of their portfolio. In order to open and maintain an account, CWH typically recommends a minimum investment of \$1 Million, but sizes are negotiable based on anticipated cash flows, timing of investment, product selection, related accounts, and participation in wrap or sub-advisory programs ("Program").

CWH manages portfolios for retail investors that hire us directly or through a Program. Due to the disparate nature of the municipal market, portfolios managed as part of a Program do not require directed brokerage arrangements thus allowing for a similar investment process across portfolios regardless of relationship.

**Monitoring:** As part of our standard service, CWH reviews your portfolio to ensure we are adhering to the requested investment strategy and any additional client imposed restrictions. CWH also conducts reviews when triggered by certain events or outside factors. The credit research team reviews securities on an on-going basis and credits must be approved before being purchased into client portfolios.

**Additional Information:** More detailed information can be found in our Form ADV Part 2A, Items 4-7 available at: <https://www.cwhenderson.com>

### Conversation Starters – Ask your financial professional:

- 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?

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

### What fees will I pay?

**Principal Fees and Cost:** CWH's fees are based on a percentage of the value of the assets in your separately managed account. Fees are typically charged quarterly and in arrears based on tiered breakpoints. Clients who invest with CWH through a Program are billed at a rate determined by the Program. Typically, in these Programs, clients will also pay a fee to the Program sponsor which may include the investment advisory fees of the independent advisors and custodial fees.

**Description of Other Fees and Costs:** In addition to the investment management fees detailed above, the most common fees and costs applicable to clients are ticket charges and wire fees from the custodians, bid/ask spreads (the difference between the prices at which securities dealers buy and sell bonds) as well as any other transaction fees to broker-dealers.

**Additional Information:** You will pay fees whether or not you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investment over time. Please make sure you understand the fees and costs you are paying. More detailed information about our fees and costs are included in our Form ADV Part 2A (Item 5). <https://www.cwhenderson.com>

#### **How do your financial professionals make money?**

Our financial professionals are compensated with a base salary and a discretionary bonus based on individual performance and profitability of the firm.

#### **Conversation Starter – Ask your financial professional:**

Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 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 acting as my investment advisor?**

**When CWH acts as your investment advisor**, we have to act in your best interest and not put our interests 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 is an example to help you understand what that means: We provide investment advisory services to client accounts in different products that pay different fees. This can create a conflict of interest because our portfolio management team allocates securities and their time across these different products. Additional information about our conflicts of interest can be found on our website in our Form ADV Part 2A. <https://www.cwhenderson.com>

##### **How else does your firm make money and what conflicts of interest do you have?**

CWH only generates revenues from our asset management services as described above.

#### **Conversation Starter – Ask your financial professional:**

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

#### **Item 4. Disciplinary History**

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

CWH has not been subject to any disciplinary events by regulators nor are we party to any legal events related to client evaluation of our advisory business. You can visit [Investor.gov/CRS](http://Investor.gov/CRS) for free and simple search tool to research us and our professionals.

#### **Conversation Starter – Ask your financial professional:**

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

#### **Item 5. Additional Information**

If you have any questions about our investment advisory services or if you wish to request a copy of the relationship summary, please contact us at [info@cwhenderson.com](mailto:info@cwhenderson.com) or 312-222-1401. Additional information is available on the SEC's website at [www.RIAinfo.sec.gov](http://www.RIAinfo.sec.gov).

#### **Conversation Starter – Ask your financial professional:**

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