

## **QCI Asset Management, Inc.**

### **Form CRS – Customer Relationship Summary, 03/31/2021**

QCI Asset Management, Inc. (QCI) is an independent investment advisor registered with the Securities and Exchange Commission (SEC).

Brokerage and Investment Advisory Services and their respective fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about Broker-Dealers, Investment Advisers, and investing.

#### **What Investment Advisory Services can you provide me?**

QCI Asset Management, Inc. offers Investment Advisory services to retail clients for separately managed accounts including equity, fixed income, and balanced (stock/bond blend) investment portfolios. Advice is provided through individual consultation with each client where investment objectives, constraints, and tolerance for risk are determined. An investment strategy is then developed and documented. QCI then executes the investment strategy on a fully discretionary basis through the buying and selling of investment securities without client consultation in advance. Client investment account(s) are then continuously monitored for performance and positioning relative to objectives and constraints. These services are all included as a part of QCI's standard investment services agreement. QCI does not have a minimum account size requirement for these services.

*For more information, please refer to QCI's Form ADV, Part 2A brochure (Items 4 & 7)*

#### **Question(s) you might ask to help gain a clearer understanding of Investment Advisor Services:**

*“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?”*

#### **What fees will I pay?**

QCI charges an annual service fee that is based on a percentage of the investable assets under management. The standard annual service fee is the sum of one percent (1%) of the first \$1,000,000 of the value of the account(s) plus three-quarters of one percent (3/4%) of the value of the account(s) above \$1,000,000. This service fee is charged quarterly in advance. The billing value of the account(s) is the fair market value determined in good faith by QCI as of the account starting date and thereafter as of the last day of the second month of the quarter prior to that for which the billing is to be made. In the case of multiple accounts, the billing value shall be the fair market value of the combined accounts.

Clients also can pay a custodian fee. These fees are normally based on a percentage of assets held under custody. Custodial fees are normally billed quarterly, in arrears. These fees go directly to the custodian in payment for their services.

Clients can also pay transaction costs. When performing investment management services, QCI normally purchases and sells investment securities, primarily stocks and bonds through third party brokerage firms. These brokerage firms charge clients commissions or other charges for these transactions. These charges go directly to the brokerage firm(s) for their services.

QCI does not receive any compensation, in any form, from these custodians or brokerage firms.

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.

### **Question(s) you might ask to help gain a clearer understanding of fees and costs:**

*“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 are your legal obligations to me when acting as my Investment Advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. This covers our entire investment advisory relationship with you including ongoing monitoring of your portfolio, investment strategy, and investments. 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 that means:

Since QCI charges an asset-based fee, the more assets there are in a client’s advisory account, the more that client will pay in fees, and the firm may therefore have an incentive to encourage the client to increase the assets in their account(s).

Another conflict of interest is the potential to favor some clients over others, for example in the allocation of favorable investment opportunities to clients with larger portfolios, who therefore pay us more in fees, than clients with smaller portfolios.

Another example is the potential for our employees, with advanced knowledge of the firm’s investment trading intentions, to trade in favorable investments for their personal accounts ahead of trading for client accounts.

### **Question(s) you might ask to help gain a clearer understanding of conflicts of interest:**

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

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

QCI’s financial professionals have two components to their compensation, the first component is a fixed base salary and the second is a variable component based on a percentage of the total investment advisory fees generated by the clients they service.

*For more information, please refer to QCI’s Form ADV Part 2A brochure (Items 5 and 14)*

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

No, none of our financial professionals have legal or disciplinary histories to be disclosed. You can visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research QCI’s financial professionals.

### **Question(s) you might ask to help gain a clearer understanding of the disciplinary history of our financial professionals:**

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

**For additional information about our services**, or to request a copy of this Form CRS disclosure go to our website at [www.e-qci.com](http://www.e-qci.com) or call us at 1(800) 836-3960.

### **Question(s) you might ask to determine who in our firm the most appropriate contact for you:**

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