

ADV Part 3: Customer Relationship Summary (CRS)

June 1, 2020

Introduction

James M. Lorenzen, CFP, AIF, registered with the State of California as an Investment Adviser. Brokerage and investment advisory services and fees differ and that it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at investor.gov/crs, which also provides educational materials about broker-dealers, investment advisers, and investing, although there is no reference to financial planning considerations.*

What investment services and advice can you provide me?

I offer financial planning and investment advisory services to retail investors, including access to third-party managers responsible for day-to-day investment decisions through both active and passive strategies, as well as separately managed accounts and wrap fee programs. Clearing and custody services are normally provided by Pershing LLC. Client accounts are continually monitored and reviewed quarterly. Investment values and financial plans are automatically updated and available online daily as part of my standard services. Investment services are non-discretionary. You will make the ultimate decision on the purchase or sale of investments and managers. I do not provide advice on limited partnerships, private placement, or initial public offerings. There is a normal \$250,000 minimum, however exceptions may be granted. **Additional services information is available at indfin.com/crs-services/.**

Conversation Starters:

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments recommended to me?

What is your relevant experience, including your licenses, education and other qualifications?

What fees will I pay?

I charge a flat fee for financial planning, quoted on a defined-project basis. Investment advisory fees are charged quarterly in advance based on the total value of your accounts placed through me: 1.20% on the first \$500,000; 0.70% on the next \$500,000; and 0.50% on amounts over \$1 million. I accept no compensation from investment service providers; since fees are not bundled, your fees paid to asset custodians and other product and service providers are charged separately and fully disclosed in advance. Wrap fee program fees include most transaction and custody fees and are therefore usually higher than typical advisory fees.

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 investment over time. Please make sure you understand what fees and costs you are paying.

*Statements in this summary do not create or modify any agreement, relationship or obligation between you and The Independent Financial Group (IFG); and are subject to more complete terms and conditions of IFG's investment advisory agreements and disclosures (including Form ADV Part 2).

Just ask: Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go into fees and costs, and how much will be invested for me?

For more complete information about my fees and costs, please indfin.com/fees/. 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 I act as an investment advisor, I must act in your best interest and not put our interests ahead of yours. At the same time, the way I make money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the investment advice I provide you. Here are some examples of what this means: Investment choices are not affected; however, since I do offer life insurance, a potential for conflict exists. Since conflicts are unavoidable, but can be mitigated, you may wish to review **more detailed information on potential conflicts of interest, please visit indfin.com/crs-conflicts/.**

Feel free to ask: How might your conflict of interest affect me, and how will you address them?

How do your financial professionals make money?

Mine is a solo independent practice. Compensation is derived solely from financial planning fees, investment advisory asset-based fees, and when appropriate, life insurance commissions. I do not receive non-cash compensation or incentives from any service or product provider. Financial planning fees are quoted based on time and complexity involved and no revenue is received based on the investment recommendations chosen. Potential conflicts are discussed above.

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

No. I've been in private practice since 1991 with a no negative legal history.

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

For a free and simple search tool to research me and other financial professionals, you can go to brokercheck.finra.org/search/genericsearch/grid and type the name(s) of any firms you're considering into the second box to see if those firms have had any regulatory histories (my CRD# is 122910). You'll see the number of issues, infractions, fines, or lost arbitration cases on the upper left-hand side of the page. In addition, I routinely offer a written and signed Fiduciary Oath to each client.

To obtain more information and or receive a copy of this or other disclosures, you can contact me at 805-265-5416 or email info@indfin.com, or go to indfin.com/crs.

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 this person is treating me?
