



PEKIN HARDY STRAUSS, INC.

FORM CRS – CUSTOMER RELATIONSHIP SUMMARY

3/27/2023

<p>Item 1. <u>Introduction</u></p>	<p>Pekin Hardy Strauss, Inc., who also operates under the brand name Appleaseed Capital, is registered with the Securities and Exchange Commission (SEC) as an investment adviser. 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, which also provides educational materials about broker-dealers, investment adviser, and investing.</p>
<p>Item 2. <u>Relationships and Services</u></p>	<p>What investment services and advice can you provide me?</p> <p>We offer investment advisory services to retail investors, including overall financial planning, investment portfolio management, mutual funds, and retirement plans. Each of our services are structured to meet the unique financial goals of our clients, while also considering other individualized factors such as risk tolerance, liquidity concerns, and personal preferences. We learn about these goals and preferences through in-depth interviews with our clients, as well as through review of the investment history of our clients when available. Our investments and advice cover a broad range of securities, as well as our own mutual fund.</p> <p>Monitoring</p> <p>As part of the investment portfolio management and retirement plan services, we monitor the accounts on a client-by-client basis. Each client has their own relationship manager, who is responsible for conducting these reviews. We monitor portfolios for rebalancing or to initiate or close out positions. Reviews may also be conducted more frequently, depending on various external factors. On a quarterly basis, Pekin Hardy provides clients with appraisal reports that show transactions, holdings, and management fees. Monitoring is not typically a part of our financial planning service, though individual plans may call for reviews at different stages depending on the circumstances.</p> <p>Investment Authority</p> <p>Clients generally engage our firm to provide discretionary investment management services. This means that we can place trades in a client's account without obtaining client permission prior to each trade. Clients may limit this authority by giving us written instructions. Examples of such limitations include restrictions on the investment in particular securities, restrictions on industries we may invest in, or specific asset allocation.</p> <p>The above is generally true for our retirement plans. However, certain plans may be structured in a way that the plan sponsor or trustee retains ultimate authority to make investment decisions for the plan.</p> <p>Limited Investment Offering</p> <p>Our investment portfolio management services cover a broad range of investment types. However, when we act as an advisor for a retirement plan we may limit the investments to mutual funds and exchange traded funds.</p> <p>Account Minimums and Other Requirements</p> <p>Pekin Hardy does not have a minimum account size requirement. However, we believe that at least \$250,000 is needed to build a sufficiently diversified portfolio. We also believe that at least \$250,000 is needed to build a sufficiently diversified portfolio without the use of pooled fund vehicles such as Appleaseed Fund managed by Pekin Hardy Strauss.</p> <p>More Additional information about Pekin Hardy Strauss, Inc. services is available on Part 2 of our Form ADV, which is available at https://adviserinfo.sec.gov/firm/summary/107310</p> <p>Conversation Starters. Ask your financial professional:</p> <ul style="list-style-type: none">• 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?
<p>Item 3. <u>Fees, Costs, Conflicts, and Standard of Conduct</u></p>	<p>A. What fees will I pay?</p> <p>Pekin Hardy Strauss, Inc. charges clients an investment management fee that is based on the value of each client's assets under management. Fees generally range between 0.5% and 1.25% annually, depending on the size and complexity of each client's accounts. Although Pekin Hardy has established fee schedules, we retain the discretion to negotiate alternative fees on a client-by-client basis, based on factors including the complexity of clients' financial situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style and account composition, and other factors.</p>



	<p>Fees are calculated and charged quarterly in advance, based on account values at the end of each quarter. Because we generally deduct fees directly from client accounts. Our firm's fees generally increase as client accounts grow, so we have an incentive to encourage our clients to increase the amount of assets in the accounts that are under our management. Additional information about our firm's fees are included in Item 5 of Part 2 of Form ADV, available at https://adviserinfo.sec.gov/firm/summary/107310.</p> <p>In addition to Pekin Hardy Strauss, Inc.'s investment management fee, clients bear transaction fees when we buy or sell investments. Clients also pay fees to the broker-dealer or bank that maintains each account (called "custody" fees). Our firm often selects and purchases mutual funds and exchange traded funds for a portion of clients' portfolios. Such investment vehicles pay their own management, transaction, and administrative fees and expenses, and those fees and expenses are indirectly borne by the investors in those vehicles, including Pekin Hardy Strauss, Inc.'s clients.</p> <p>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.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none">• Help me understand how these fees and costs might affect my investments. If I give you \$250,000 to invest, how much will go to fees and costs, and how much will be invested for me?
<p>Item 3. <u>Fees, Costs, Conflicts, and Standard of Conduct</u></p>	<p>B. What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?</p> <p>When we act as your investment adviser, 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 investment advice we provide to you. Here are some examples to help you understand what this means.</p> <ul style="list-style-type: none">• We manage accounts for multiple clients, and not all clients have the same fee arrangements. This may incentivize us to encourage certain clients to place more assets into their accounts or otherwise treat clients differently based on their fee structures.• Some of the broker-dealers that we trade with allocate a portion of the commissions that our clients pay to be used by us to pay for research. These "soft dollar" arrangements help our firm make investment decisions, but they can also incentivize us to recommend a broker based on our interest in receiving that broker's particular research services. <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none">• How might your conflicts of interest affect me, and how will you address them? <p>More Additional information about conflicts of interest between Pekin Hardy Strauss, Inc. and its clients is available on Part 2 of our Form ADV, which is available at https://adviserinfo.sec.gov/firm/summary/107310</p> <p>How do your financial professionals make money?</p> <p>Our firms financial professional are compensated with a base salary and annual bonus. The bonus is based on the amount of client assets they manage, and revenue the firm earns from the financial professional's advisory services. Our financial professionals compensation generally increases as their client accounts grow, which creates a conflict of interest for the employee to bring in more client assets to the firm. Pekin Hardy Strauss, Inc.'s pays incentive compensation to its employees for asset flows in separate accounts.</p>
<p>Item 4. <u>Disciplinary History</u></p>	<p>Do you or your financial professionals have legal or disciplinary history? Yes</p> <p>Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none">• As a financial professional, do you have any disciplinary history? For what type of conduct?
<p>Item 5. <u>Additional Information</u></p>	<p>Additional information about our services can be found at https://adviserinfo.sec.gov/firm/summary/107310. If you have any questions about the contents of this brochure or would like to request a copy of this relationship summary, please contact Jennifer Dunlap at 312-554-7525.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none">• Who is my primary contact person? Is he or she a representative of an investment-adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?