

## INTRODUCTION

Dillon & Associates, Inc. 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 online at **Investor.gov/CRS**, which also provides educational materials about broker-dealers, investment advisers, and investing.

## RELATIONSHIPS AND SERVICES

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

We offer investment advice to retail investors, including individuals, trusts, estates, foundations, charitable organizations, retirement plans, and IRAs. We monitor assets held in your account and make recommendations specific to your needs and objectives on an ongoing basis. In a typical relationship, we discuss recommendations with you before making investment changes. We can also act on a discretionary basis in which we make changes without prior discussion. We generally require a minimum amount of \$250,000 of assets under management. We may manage smaller accounts depending on your circumstances. For additional information, please see Form ADV, Part 2A brochure Items 4, 7, 13, and 16.

### *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 licenses, education, and other qualifications? What do these qualifications mean?

## FEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT

### *What fees will I pay?*

Our firm is paid a fee by you for advisory services based on the assets under management. Fees are calculated at the end of each calendar quarter and charged at  $\frac{1}{4}$  of the annualized rate for services rendered. You may also pay transaction fees (brokerage commissions), an annual fee, or maintenance fee charged by the custodian or broker. Certain investments, such as mutual funds, money market funds, or ADRs, will charge fees in addition to our fees.

You should be aware that the structure of our fee schedule creates a potential conflict of interest. We are compensated more as the value of the assets in your account increases. Therefore, we may have incentive to encourage the addition of assets to a new or existing account, such as rolling over 401k assets to an IRA.

For additional information, please see Form ADV, Part 2A brochure Items 5 and 6.

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 Starter - 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?

***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?***

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 ways investment advisers 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 some explanation to help you understand what this means.

As your investment adviser, we must act in your best interests at all times. Our compensation is earned exclusively from client fees. We do not receive any trade commissions, fees from mutual funds, or commissions from products such as annuities, insurance policies, mortgages, etc.

***Conversation Starter - Ask your financial professional:***

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

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

The financial professionals providing investment advice are paid a salary plus a percentage of the fees earned from assets that they manage.

## DISCIPLINARY HISTORY

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

No. You may visit **Investor.gov/CRS** online for a free and simple search tool to research financial professionals.

***Conversation Starter - Ask your financial professional:***

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

## ADDITIONAL INFORMATION

Additional information can be found at [Investor.gov](http://Investor.gov) or by calling our office at 517-796-7090.

***Conversation Starter - Ask your financial professional:***

- 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?