

# J. STERN & CO.

## CLIENT RELATIONSHIP SUMMARY (FORM CRS)

1 JANUARY 2023

### ITEM 1: INTRODUCTION

J. Stern & Co LLP (“Stern,” the “Firm,” “we,” “us”) is registered with the U.S. Securities and Exchange Commission as an Investment Advisor. It is important for you, as a retail investor, to understand that the services and fees of investment advisers are different than the services provided, and fees charged by a broker-dealer. Free and simple tools are available to research firms and financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS), which also provides educational materials about investment advisers, and investing.

### ITEM 2: RELATIONSHIPS AND SERVICES

#### What investment services and advice can you provide me, what’s the process?

Our focus is discretionary investment management, running a small number of differentiated investment strategies including our World Stars Global Equity Strategy, a Multi-Asset Income Strategy and our Emerging Market Corporate Debt Stars Strategy.

We offer investors access to these strategies either via a single managed account (or “SMA”) or via an investment fund (a “Fund”) for those investors eligible and able to invest in funds established in Luxembourg. SMAs, on a discretionary basis, are available to all clients, but our UK FCA authorisation prevents us from giving investment advice to retail clients. Our investment decisions with respect to each strategy and managed portfolios are subject to investment objectives, strategies, policies and restrictions. These are set out in the client agreements or the relevant prospectus or offering document for each fund (the “Offering Document”).

Our World Stars Global Equity is available via SMAs or, for those that are eligible, via the Luxembourg established Alpha UCITS SICAV J. Stern & Co. World Stars Global Equity Fund. The Multi-Asset Income strategy is targeted at clients who are seeking primarily income and is available in SMAs or via our Luxembourg established Star Multi-Asset Income Fund. The Emerging Market Corporate Debt strategy is available in SMAs. We are working currently to establish a fund based in Luxembourg that follows the same strategy. You must meet certain account minimums and other criteria to participate in our management services. These minimums and criteria vary depending on the service and are disclosed in Part 2A of our Form ADV. We are required to monitor your portfolio, investment strategy and investments on an ongoing basis. We will contact you when we become aware of a significant change in the market or to your individual circumstances.

For additional details regarding the types of investment services and advice available to you, please see Item 4 and Item 7 of our Form ADV Part 2A.

#### Conversation Starter:

- *Given my financial situation, should I choose a discretionary investment management 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?*

### ITEM 3: FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

#### What fees will I pay?

The fees that we charge clients for SMA are set out in the corresponding client agreement and are based on the asset value of clients’ assets. Custodians will charge separately. The standard fee ranges from 0.70% p.a. (for charities) to our standard 1.00% p.a. (excluding any value added tax) but are negotiable and other fee structures (including performance fees) are available.

The fees for Funds range from 0.65% (for charities) to 0.90% for investments of \$1m or more and 1.2% for investors who cannot invest as much as \$5m into a SMA. The Funds incur additional costs and charges which we seek to limit to 0.30%. More details are contained in the relevant Fund offering memorandums.

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You will pay fees and costs whether you make or lose money on your investments over time. Please make sure you understand what fees and costs you are paying.

For more detailed information regarding the fees and costs you are paying please see Item 5.E of our Form ADV Part 1 and Item 5 and Item 6 of our Form ADV Part 2A.

### *Conversation Starter:*

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go towards 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 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 to you.

*Example:* An employee may be offered or provided gifts, entertainment or other forms of corporate hospitality which could create an incentive for the employee to act in a manner which is not in your best interest. There can also be conflicts arising out of personal trading by employees in the same securities in which your account invests.

For additional details regarding our potential conflicts of interest, please see Item 10, Item 11, and Item 12 of our Form ADV Part 2A.

### *Conversation Starter:*

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

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

All Stern staff are paid via salary, discretionary bonuses and retirement benefits. Factors considered when assessing the discretionary bonus element would include performance, appraisals, client service, compliance, developing new areas of the business and collaboration. For those partners who have a share of the equity in the J. Stern & Co Group, profits are divided up through a points system which is a weighted rating in favor of effective risk and compliance with the Firm's policies and procedures.

## ITEM 4: DISCIPLINARY HISTORY

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

No. Stern and its financial professionals do not have any legal or disciplinary history. For a free and simple tool to research us and our financial professionals go to [Investor.gov/CRS](https://www.investor.gov/crs).

### *Conversation Starter:*

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

## ITEM 5: ADDITIONAL INFORMATION

For additional information regarding our firm or advisory services, please visit the IAPD website to view a copy of our Form ADV. Retail investors can always request a copy of our Form CRS by calling the following phone number: +44 (0)20 3478 1800.

### *Conversation Starter:*

- *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?*