

## First Long Island Investors, LLC and FLI Investors, LLC

# Client Relationship Summary

Effective March 30, 2023

First Long Island Investors, LLC (“FLI”) is registered as an investment adviser with the U.S. Securities and Exchange Commission (“SEC”). FLI Investors, LLC (“FLI Investors”) is an affiliate of FLI and is registered as a broker-dealer with the SEC and with the Financial Industry Regulatory Authority (“FINRA”). Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. FLI Investors is also a member of the Securities Investor Protection Corporation (“SIPC”), which is more fully described at <https://sipc.org>.

To assist in researching firms and financial professionals, free and simple tools are available at <https://www.Investor.gov/CRS>, which also provides educational materials about broker dealers, investment advisers, and investing.

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

### Services We Provide:

FLI can provide you with investment advisory services. Our investment advice is designed to provide you with a long-term approach to wealth management that embodies a prudent, individualized asset allocation. We recommend that you diversify your investments among assets, including (where suitable) equities (in separately managed accounts and through partnerships), in bonds, and in private investments. FLI can also provide you with family office services.

FLI Investors and/or FLI can also, from time to time, refer you to invest in separately managed accounts or investment vehicles managed by another registered investment advisor. We are compensated for such referrals.

FLI Investors (and one of its officers) maintains an insurance license and can assist you with obtaining life insurance. FLI Investors receives commissions from insurance companies or shares in the commissions you pay to third party insurance brokers in connection with such business.

### Monitoring and Investment Discretion:

As part of our standard investment advisory services, our Investment Committee reviews each client’s asset allocation every quarter. We will present to you our recommendations for an individualized asset allocation to various investment strategies, which you must approve before we invest your assets or make any changes to your asset allocation. Within each strategy, FLI has “discretion”, meaning we make investment decisions for your account (or for a partnership in which you invest) on your behalf.

### Limited Investment Offerings:

We offer a wide variety of strategies and services but may limit the strategies we recommend to you based upon factors such as client suitability requirements. We generally do not offer strategies unless they are managed by FLI or the third-party manager has entered into a fee sharing agreement with us.

## **Account Minimums:**

Our minimum commitment for new clients is generally \$5 million. The particular strategies we recommend may also be subject to minimums described in their marketing materials.

## **Additional Information:**

**For additional information about the services we offer, please review FLI's website ([www.fliinvestors.com](http://www.fliinvestors.com)) and Form ADV Firm Brochure.**

## **Questions to Ask your Investment Advisor:**

- (1) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (2) *Given my financial situation should I choose a brokerage service? Why or why not?*
- (3) *How will you choose investments to recommend to me?*
- (4) *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

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

### **Management Fees and Incentive Allocations:**

With respect to FLI's investment advisory services, if your assets are held in an FLI-managed separately managed account, you will be charged an annual fee that is a percentage of the assets in your account, paid quarterly in advance. These fees range from 0.4% to 1.5% annually depending on the particular investment strategy and are subject to breakpoints based on the amount of assets we manage for you within a particular strategy and/or your overall relationship with FLI. Fees generally are deducted from your account but may be paid directly.

If your assets are invested in an FLI-managed partnership, your assets will be subject to an annual management fee payable quarterly in advance (ranging from .5% to 1% annually depending on the particular partnership and asset level) and your assets may be subject to a performance-based incentive allocation. The fee structure for any partnership will be described to you in detail in writing before you make a decision to invest in the partnership.

Fees are generally not negotiable.

Generally, the more assets there are in your account(s), the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your accounts. We have a conflict of interest in that we have an incentive to favor partnerships which can generate higher compensation for us. In addition, performance-based compensation may create an incentive for us to recommend an investment that may carry a higher degree of risk to clients.

### **Referral Fees:**

FLI Investors or FLI (as applicable) is paid a percentage of the management fees (and carried interest or other performance-based compensation, if applicable) you pay with respect to third-party investments to which FLI Investors or FLI has referred you.

### **Other Fees and Costs:**

If your assets are invested in a partnership, you will bear your pro rata share of partnership expenses described in that partnership's governing documents, including legal, accounting, audit and surprise exam fees, as applicable. Each of the FLI partnerships also bears the fees, expenses and incentive allocations (if any) of its underlying managers.

FLI does not act as a custodian for any client assets. Therefore, your assets will be held by a third-party custodian.

We generally direct client assets in separately managed accounts to the custodian and brokerage firm UBS Financial Services Inc. ("UBS"). You will bear the cost to trade securities in your accounts. We have negotiated with UBS an agreement where our clients do not pay custody fees but pay commissions of four cents (\$.04) per share on equity trades, and two cents (\$.02) per share on option contracts. You may choose to custody your assets at a different custodian bank or self-directed IRA custodian which may charge custody fees and different commission fees for trades. Choosing a different custodian may cost you more than using UBS.

The qualified custodians used to custody assets of certain partnerships we manage charge the partnerships custody fees. You will also bear the cost to trade securities held by partnerships in which you invest.

If your assets are invested in mutual funds you will bear the fees and expenses charged by the funds.

### **Family Office Retainer Fees:**

Family office service clients are charged a separate retainer fee, which is based on the services provided.

### **Additional Information:**

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.

**For additional information about fees and costs please review our Form ADV Firm Brochure.**

### **Questions to Ask your Investment Advisor:**

- (1) Help me understand how these fees and costs might affect my investments.*
- (2) 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 providing recommendations as my broker dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we provide you with a recommendation as your broker dealer or 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 recommendations and investment advice we provide to you. Here are some examples to help you understand what this means.*

- (a) **Proprietary Products:** Proprietary products are investments that are issued, sponsored, or managed by us or our affiliates. When you purchase a proprietary product, we will generally earn more money than if you were to purchase a product issued, sponsored or managed by a third-party as a result of the compensation paid to us or our affiliates. For example, we may recommend that you invest in partnerships where an affiliate of FLI is the general partner, and in separately managed accounts managed by FLI. We are compensated for our management of these partnerships and separately managed accounts. We are therefore incentivized to refer you to partnerships and other strategies we manage.
- (b) **Revenue Sharing:** FLI and FLI Investors may refer you to invest in managed accounts, partnerships or similar investment vehicles managed by other registered investment advisers. We are compensated for such referrals by sharing in the fees you pay to such third parties. We will disclose to you (in writing) these revenue sharing arrangements. We are therefore incentivized to refer you to these managers.

**Questions to Ask your Investment Advisor:**

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

**Additional Information:**

**For more detailed information on how we address conflicts of interest please see FLI's Form ADV Firm Brochure.**

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

Our financial professionals are compensated with cash salary and bonus compensation based on their position, performance and tenure with the firm. Certain of our financial professionals participate in performance based incentive allocations and some are owners of FLI and FLI Investors. This creates a conflict because they are incentivized to encourage you to increase the assets managed by FLI or referred to third party managers.

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

No. Visit <https://www.Investor.gov/CRS> for a free and simple search tool to research FLI, FLI Investors, and our financial professionals.

**Questions to Ask your Investment Advisor:**

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

**Additional Information**

**You can find additional information about our services by vising our website ([www.fliinvestors.com](http://www.fliinvestors.com)) and reviewing FLI's Form ADV Firm Brochure. You can call us at 516-935-1200 for up to date information and to request a copy of this disclosure.**

**Questions to Ask your Investment Advisor:**

- (1) Who is my primary contact person?*
- (2) Is he or she a representative of an investment adviser or a broker-dealer?*
- (3) Who can I talk to if I have concerns about how this person is treating me?"*