

## FORM CRS DISCLOSURE FOR INVESTMENT ADVISERS

January 2025

WILLIS INVESTMENT COUNSEL, INC.

GEORGIA

Willis Investment Counsel, Inc. (WIC) is registered as an Investment Adviser with the U.S. Securities & Exchange Commission. Brokerage and Investment Advisory services and fees differ, and it is important to understand the differences. Research firms and financial professionals can access free and simple tools at [investor.gov/CRS](http://investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

### **WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?**

WIC provides investment advisory services to individual investors. Our principal services include i) designing, managing, and ongoing monitoring of investment portfolios using a combination of our proprietary strategies,<sup>1</sup> which could include stocks, bonds, stock options, mutual funds, ETFs, and cash, ii) assisting clients in developing their specific investment goals, objectives, and needs while considering their tolerance for possible investment losses and market volatility, and iii) providing other financial advice as requested. WIC also provides family office services for designated non-discretionary assets outside WIC's investment management. The scope of our services varies among clients depending on their goals, objectives, risk tolerance, complexity, and requirements.

Our average individual client has approximately \$2 million invested. Our minimum account size varies based on facts and circumstances but generally exceeds \$250,000. Additional limitations exist for our limited partnerships<sup>2</sup>.

Discretionary accounts are those client accounts for which WIC generally has responsibility for investment decisions, including purchase and sale decisions, on behalf of our clients. Non-discretionary accounts are those client accounts for which the ultimate decision-making power resides with the client, not WIC.

For more information about our investment advisory services, please refer to Items 4 and 7 of our Form ADV, Part 2A Brochure.

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?

### **WHAT FEES WILL I PAY?**

WIC's fee schedule for separately managed accounts is generally as follows: 1.0% on the first \$5 million and 0.50% on all assets over \$5 million. Our fees are charged either monthly or quarterly, in arrears, and are deducted from our clients' accounts. Other expenses could include custodian fees, account maintenance fees, wire and electronic fund processing fees, transaction fees, exchange fees, and fees associated with trading. WIC does not participate in these fees. Investment management, advisory, and family office fees, which are calculated based on asset value, are WIC's sole means of compensation. More assets equate to more fees, which can be considered an incentive for WIC to encourage clients to increase their discretionary and non-discretionary assets advised on or managed by WIC. For WIC's limited partnerships, in which WIC is the general partner, a different fee structure applies, which can be found in the fund prospectus. Additional information on fees can be found in WIC's ADV Part 2A Brochure Item 5.

<sup>1</sup> WIC's proprietary strategies include our Fixed Income Strategy, Managed Volatility and Income Strategy, Core Equity Strategy, and Small Cap Value Strategy. WIC also acts as the investment adviser and is the General Partner to four limited partnerships (the WIC Value Fund, L.P., the Small Cap Value Fund, L.P., the Managed Volatility and Income Fund, L.P., and the Managed Volatility and Income Fund, QP, L.P.).

<sup>2</sup> See our Form ADV Part 2A Brochure items 5 and 10 for details on the limitations associated with our limited partnerships.

*You will pay fees and costs whether you make or lose money on your WIC investments. Fees and costs will reduce any amount of money you make on your WIC investments over time. Please make sure you understand the fees and costs you are paying.*

For more information about our fee structure, please refer to Item 5 of our Form ADV, Part 2A Brochure.

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 WIC acts as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, our fee schedule and the way we are paid by investors create 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 are some examples to help you understand what this means.

WIC recommends our proprietary strategies to our clients. The fees on these strategies are often higher than other investment vehicles such as exchange-traded funds (ETFs) and mutual funds. If one chooses not to use WIC's advisory services, ETFs or mutual funds could be utilized, which in most cases will cost less than WIC's advisory fee. In addition, WIC is paid an investment management fee from the four limited partnerships managed by WIC. We recommend these limited partnership investments for client portfolios when we believe the investment aligns with the client's investment goals. Depending on the value of the portfolio, investing in limited partnerships could increase a client's fees. We do not receive monetary compensation from third parties for recommending or selling certain investments, revenue-sharing arrangements, or principal trading. Occasionally, our trading partners and custodians give us access to proprietary research.

WIC has adopted a Code of Ethics with high standards of business conduct and a fiduciary duty to our clients. For more information about our legal obligations and conflicts of interest, please refer to our Form ADV, Part 2A Brochure.

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

***HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?***

Our financial professionals and employees are compensated primarily through salaries. In addition to their salary, they may also be compensated through bonuses or profit-sharing arrangements. Their compensation is not based on factors such as the amount of client assets they service or the time and complexity required to meet a client's needs. We sell no products and receive no commissions or incentive fees. Generally, the more client assets we manage, the higher the fee and compensation.

***DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?***

No. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research WIC and our financial professionals.

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

For more information about WIC, you can review our Form ADV Part 2A Brochure here: <https://wicinvest.com/investments/our-performance/sec-registration-and-disclosures/>. You can also contact Kelli Wright, CCO, for a copy of our Form ADV Part 2A Brochure ([kwright@wicinvest.com](mailto:kwright@wicinvest.com), 770-718-0706).

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?