

## Form CRS, ADV Part 3

3/1/2024

### LUCID ADVISORS, INC.

#### Item 1. Introduction

Lucid Advisors, Inc. (Lucid) is registered with the US Securities and Exchange Commission as an Investment Adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

#### Item 2. Relationships and Services

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

Lucid offers investment advisory services to certain retail investors on a limited basis. Our Private Client Services include retirement planning and related investment advisory services, general financial planning such as household budget advice, education savings/planning, and debt management, as well as general investment/portfolio management. Our firm does not limit investment offerings for our clients.

*Monitoring.* As a retail investor, when your investment plan is established and/or portfolio invested by Lucid, we will monitor it ongoing and may periodically recommend changes: if we identify significant concerns with an investment, we determine it is no longer meeting the objectives for which it was selected, or we have identified a stronger or more qualified investment to fulfill the same/similar objectives.

*Investment Authority:* Lucid primarily manages client portfolios on a non-discretionary basis, which means we provide advice and recommendations to our clients, but do not implement the proposed recommendations without prior client authorization. Many clients provide us with *limited discretionary authority* over certain routine activities such as portfolio rebalancing or investment liquidations to facilitate scheduled withdrawals. We may accept full discretion upon client request in certain situations such as when a client has a familial or other relationship with one of our advisors, or if their circumstances make it difficult to adhere to Lucid's customary investment approval processes in a timely manner. Even when we have a discretionary arrangement in place, you will still maintain decision-making authority regarding the purchase or sale of investments.

*Account Minimums and Other Requirements:* As providing investment services and advice to retail investors are not our primary business Lucid is not currently accepting new clients for these services, although we reserve the right to change this at any time without public notice. During periods when Lucid has accepted new retail clients, we have generally required a minimum of \$1 million in investable assets and imposed certain other qualifications to ensure a reasonable fit with our advisory services.

**For additional information**, please see details about our client services in items 4 and 7 of our [Form ADV Part 2A](#).

You may want to inquire about additional specifics regarding our services and advice, for example:

- 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?

#### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

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

*Principal Fees and Costs:* Private Client Services are billed on a flat quarterly basis based upon the assets we manage for you in accordance with the tiered fee schedule contained in our client agreement. Client accounts are valued at the end of the quarter and fees are billed quarterly in advance typically during the first month of the subsequent calendar quarter. As our quarterly fee increases as your portfolio attains higher asset balance tiers, we may have an incentive to encourage you to increase the assets we advise on your behalf. Additional fees may apply in circumstances wherein Clients invest in private investment offerings or other special situations which entail additional administrative and support services from Lucid.

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*Other Fees and Costs:* Lucid's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client or their accounts. Certain charges may be imposed by custodians or third-party managers including manager fees, custodial fees, wire transfer and electronic transfer fees, commissions, transaction fees and other fees and taxes on brokerage accounts and securities transactions. Lucid also routinely reviews and monitors these other investment fees and expenses and seeks to minimize and/or mitigate them whenever possible without compromising other financial or investment considerations. 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**, please see details about our fees & compensation in item 5 of our [Form ADV Part 2A](#).

You may want to ask for more details regarding fees, for example:

- 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 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 you. Here are some examples to help you understand what this means.*

While Lucid's fees charged to clients constitute our only revenue source, as noted previously our retail services are structured on a tiered asset-based fee schedule which provides an incentive for us to increase your assets under our advisory services over time. You should also be aware our primary business is providing advisory and consulting services to employers and organizations. As our fees paid by these clients are typically greater than those paid by retail clients, we have an incentive to prioritize our services to meet their needs.

**For additional information**, please review any conflicts of interest in items 11 and 12 of our [Form ADV Part 2A](#).

If you have further questions re: conflicts of interest

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

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

Lucid's financial professionals are compensated with an annual salary and bonuses based upon individual and firm performance. In addition, equity owners of Lucid Advisors are also entitled to share in the firm's profitability.

### Item 4. Disciplinary History

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

No. You can visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

Questions related to disciplinary history may include:

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

### Item 5. Additional Information

You can find additional information about our investment advisory services on our website at [www.lucidadvisors.com](http://www.lucidadvisors.com). A copy of this summary is also available online at [Form CRS Part 3](#). To request up-to-date information and request a copy of the relationship summary, you can call us toll-free at 800-351-1062.

Additional questions you may want to ask:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? What is the difference between these types of investment firms?
- Who can I talk to if I have concerns about how my representative is treating me or managing my account(s)?