

# Paratus Financial, Inc.

A Multi-Service Family Office

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Effective Date: November 9, 2023

## Client Relationship Summary

### Item 1 – Introduction

Our firm is Paratus Financial, Inc. and we are registered as an investment adviser with the U.S. Securities and Exchange Commission. As an investment adviser we provide advisory services. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. This document gives you a summary of the types of services we provide and how you pay. 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 broker-dealers, investment advisers, and investing.

### Item 2 – What Investment Services and Advice Can You Provide?

#### Investment Management Services

**Clients:** We offer services to individuals, high net worth individuals, trusts, estates, retirement plans, and foundations.

**Accounts:** We service Individual, Joint, Traditional IRA, Roth IRA, UGMA, 529, 401(k), Partnership, Corporation, Trust, and Foundation accounts.

**Investments:** We use mutual funds, exchange traded funds, separately managed accounts, and bonds to construct portfolios.

**Monitoring:** We monitor appropriateness of securities in accounts on a quarterly basis. We also meet with you at least annually depending on your needs and your individual contract.

**Investment Authority:** We provide our services on a perpetual and discretionary basis. We execute investment recommendations in accordance with your investment objectives with your prior approval of each specific transaction. Our engagement will continue until you notify us otherwise in writing.

**Limited Investment Offerings:** We do not make available or offer advice with respect to proprietary products or a limited menu of products or types of investments.

**Account Minimums & Other Requirements:** We do not require an account or relationship size minimum in order for you to open/maintain an account or establish a relationship.

**Additional Information:** Detailed information on our relationships and services would be in Item 4 - Advisory Services and Item 7 -Types of Clients of our Form ADV Part 2A that was attached to your contract or invoice.

#### Conversation Starters

*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.A – What Fees Will I Pay?

#### Investment Management Services

**Advisory Fee:** Paratus Financial, Inc. does not impose asset-based fees. All fees paid to Paratus Financial, Inc are agreed upon each year in your annual contract.

**Conflicts of Interest:** We recommend securities that have additional associated fees. You could purchase these securities directly.

Funds we recommend may have different classes with different fee structures.

Our advisors are compensated based on the amount of revenue you pay Paratus Financial, Inc. The total fee you pay the firm is disclosed in your annual contract.

**Other Fees & Costs:** In addition to our fees, you will also be responsible for custodian fees, account maintenance fees, fees related to mutual funds, and other transactional fees.

### Conversation Starters

*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?*

**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. Detailed information on our fees would be in Item 5 - Fees and Compensation of our Form ADV Part 2A that was attached to your contract or invoice.

### **Item 3.B – 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?**

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*When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours.*

*Our recommended investments have additional associated fees. Funds may have different share classes with varying fee structures. Our advisors are compensated based upon the revenue they generate to the firm.*

### Conversation Starters

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

**Additional Information:** Detailed information would be in Item 12 - Brokerage Practices and Item 14 -Client Referrals and Other Compensation of our Form ADV Part 2A that was attached to your contract or invoice.

### **Item 3.C – How Do Your Financial Professionals Make Money?**

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Our financial professionals are compensated based on an agreed upon annual salary. Additionally, they receive compensation based on the revenue generated from service contracts. This means financial professionals have an incentive to increase the asset size in the relationship or solicit new business, taking time away from the day-to-day servicing of current clients.

### **Item 4 – Do You or Your Financial Professionals Have Legal or Disciplinary History?**

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Yes. On July 26,2021, Paratus Financial, Inc. agreed to pay a penalty to the SEC for providing a Client Relationship Summary (CRS) to our clients after the deadline. There are no other legal or disciplinary actions involving the firm or our professionals. You can visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

### Conversation Starters

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

### **Item 5 – Additional Information**

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You can find additional information about our investment advisory services by visiting [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and searching with our CRD #133361 or by visiting our website [www.paratusfinancial.com](http://www.paratusfinancial.com). You can request up-to-date information and a copy of our client relationship summary by contacting us at **(214) 378-7400**.

### Conversation Starters

*Who is my primary contact person? Is he or she a representative of an investment advisor?  
Who can I talk to if I have concerns about how this person is treating me?*