



## CLIENT RELATIONSHIP SUMMARY (FORM CRS) Form ADV Part 3 - Effective July 1, 2020

Claris Financial ("Claris," "we" or the "Firm") is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services differ, and it is important for the retail investor to understand the differences. Free and simple tools are available for you to research firms and their financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Claris Financial, LLC specializes in managing financial assets for individuals, families, estates, and trusts. Claris is primarily focused on the selection and monitoring of specific non-proprietary investments, then using these investments inside actively managed accounts. A full description of our investment advisory services can be found in the Firm's disclosure brochure, which is prepared in accordance with SEC Form ADV, Part 2A (the "Brochure"). The Brochure is also available on our website at <http://www.clarisfinancial.com/disclosures>.

We typically have discretionary authority with regard to our portfolio management services. This means that we are granted authority to make trades in client accounts without obtaining the client's consent prior to trading. There are no limitations on the types of investments that can be made on your behalf. The Firm's portfolio management services include the selection of securities for a client's investment portfolios and the ongoing monitoring and management of the client's accounts. If an account is managed on a non-discretionary basis, we will discuss the proposed trades with the client and gain the client's consent prior to execution.

Additionally, Claris may select third party money managers to implement a client portfolio. Money manager selection is driven by your overall goals, objectives, tolerance for risk, tax status, and overall financial profile. These money managers may choose to bunch all of their orders together and trade away from a client's custodian. This practice will create additional costs that are not included in the advisory fee paid to Claris. These services also include a formal review that is conducted with clients no less frequently than annually.

Financial advisors at Claris are also registered representatives of Triad Advisors LLC ("Triad"), a securities broker/dealer, member FINRA/SIPC. Compensation earned by these persons in their capacities as registered representatives are separate and in addition to our advisory fees. This practice presents the potential for a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. Additionally, your financial advisor will be entitled to a portion of the external expense fees (such as 12b-1 fees) charged by mutual funds.

Your financial advisor can also transact insurance related business with advisory clients including the sale of fixed annuities, life insurance, and long-term care insurance. Your Financial Advisor may receive commissions from these products sold to clients. Clients are advised that the fees paid to Claris for investment advisory services are separate and distinct from the commissions earned by any individual for selling clients insurance products. You are under no obligation, contractually or otherwise, to purchase securities or insurance products through any person affiliated with our firm.

### *Conversation Starters: Questions you may want to discuss with your financial professional –*

- *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?***

Claris assesses advisory fees on Client accounts on a quarterly basis, in advance. The fee is calculated by taking the closing value of the accounts on the last day of the previous calendar quarter and multiplying it by one-fourth of the Advisory Fee which is reflect in your Investment Advisory Agreement. If the client's agreement with Claris is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the Advisory Fee is based the opening value of the account payable in proportion to the number of days in the quarter for which you are a client.

Please note that our advisory fees are separate from the transaction costs and fees charged by your custodian. Fees paid to Claris are separate and distinct from the fees and expenses charged by mutual funds and exchange-traded funds to their shareholders. There is no minimum investment amount or minimum account size required for the Firm's investment

management services. You will pay fees and costs whether you make or lose money on your investments. Fees and costs reduce any amount of money you make on your investments over time.

Please make sure you understand what fees and costs you are paying. Fees and costs related to our investment advisory services are more particularly described in the Firm's Brochure.

Conversation Starters: Questions you may want to discuss with your financial professional –

- 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 advice we provide to you. Those conflicts include the following:

**Services Provided to Us by the Custodian of Your Assets.** Certain services are provided to us by the custodian that we use to maintain custody of your account assets. The availability of these services benefits us because we do not have to produce or purchase them. The client asset threshold required to receive these services may give us an incentive to require you to maintain your account with this custodian. We believe, however, that our selection of this custodian is in the best interests of our clients.

**Asset Based Fees.** The more assets that are in your managed advisory account, the more you will pay in fees. The Firm may therefore have an incentive to encourage you to increase the assets in your account. As a registered investment adviser, and as a fiduciary to our clients, Claris has a duty of loyalty and a duty to always act in utmost good faith, place our clients' interests first and foremost and to make full and fair disclosure of all material facts pertaining to potential or actual conflicts of interest. For more information regarding how the Firm addresses conflicts of interest, please see the Firm Brochure.

**Sale of Commission Based Products.** The receipt of commissions by individuals associated with the firm may present a potential conflict of interest. As fiduciaries we must act primarily for the benefit of investment advisory Clients. As such, we will only transact insurance related business with Clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our representatives are appropriate. Clients are informed that they are under no obligation to use any individual associated with Claris for securities or insurance products. Clients may use any insurance or brokerage firm or agent that they choose.

As a registered investment adviser, and as a fiduciary to our clients, Claris has a duty of loyalty and a duty to always act in utmost good faith, place our clients' interests first and foremost and to make full and fair disclosure of all material facts pertaining to potential or actual conflicts of interest.

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

Our financial professionals are paid a percentage of revenue generated by the total amount of assets under their management as well as a portion of the commissions they earn and/or a salary. As this an asset-based structure, it is considered a conflict of interest in that the compensation is based on the amount of assets overseen by your advisor.

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

Neither the Firm nor its financial professionals currently have legal or disciplinary history requiring us to provide disclosure in this section.

Conversation Starters: Questions you may want to discuss with your financial professional –

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

**Additional information**

Additional information about the Firm can be obtained by (i) going to [adviserinfo.sec.gov](http://adviserinfo.sec.gov), or (ii) contacting the Firm by telephone at (804) 935-3000 or by email at [katy.oliver@clarisfinancial.com](mailto:katy.oliver@clarisfinancial.com). If you have any concerns about Claris or would like to request a copy of our Form CRS or our Disclosure Brochure, please do not hesitate to call on us. You may also visit [Investor.gov/CRS](http://Investor.gov/CRS), which provides a free and simple search tool to research our Firm and its investment adviser representatives.

Conversation Starters: Questions you may want to discuss with your financial professional –

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