

Form CRS (Client Relationship Summary), March 19, 2024

The Karras Company, Inc.

The Karras Company, Inc. ("Karras", "we", "us") is registered with the Securities and Exchange Commission (SEC) as an Investment Adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these 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.

What investment services and advice can you provide me?

The investment advisory programs we offer include:

Financial Advisor managed – Including the IMPAC, Passport and Ambassador programs; accounts in these programs may be (a) discretionary – your financial professional makes investment decisions to buy, sell or hold securities in your account; or (b) non-discretionary – your financial professional offers advice and recommendations to buy, sell or hold securities but you make the final investment decisions.

Firm managed – Including the Freedom and American Funds programs; all accounts in firm managed programs are discretionary; these accounts are managed by Raymond James & Associates ("RJA"), member NYSE/SIPC.

We also offer various investment advisory services including (a) **Wealth Planning** – your financial professional helps you develop a goal-based strategy or financial plan intended to achieve your financial objectives and incorporating various aspects of your financial situation; and (b) **Investment Consulting** – your financial professional offers advice on investments held with or outside of RJA, our Custodian.

Monitoring: We and your financial professional conduct ongoing monitoring of your advisory accounts tailored to your advisory relationship and advisory account(s).

Account Minimums: We generally require new clients to have a minimum of \$250,000 in assets under management; however, we may also accept smaller accounts related to a current client relationship and financial advisors reserve the right to waive minimums based upon specific circumstances of an account or relationship.

Limited Investment Offerings: We provide advice on non-proprietary products. Depending on your choice of account type, strategy and model, you may receive advice with respect to a broad range of investments, or you may receive advice regarding a limited range of investments. For example, we do not make all mutual funds available for use in advisory programs and generally limit the offered mutual funds to a single share class.

For additional information about our investment advisory services, please refer to our ADV Part 2A, which can be found by searching for us at adviserinfo.sec.gov.

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?

What fees will I pay?

Principal Fees & Costs: In an investment advisory account, you will incur advisory fees which are generally assessed quarterly at the rate you agreed upon with your financial professional (based on our established fee schedule). In the Ambassador, Freedom and American Funds programs, this fee will be a "wrap" fee that covers the applicable advisory fee, third-party manager fees, execution charges on trades and custody and clearing services. The wrap fee does not include commissions and other charges for trades that a third-party manager directs to another broker/dealer. In addition, it does not include underlying management fees and operating expenses for investment products and other charges described in our advisory brochure. *Because we and your financial professional are primarily compensated based on the amount of assets in your account, we and your financial professional are incentivized to increase your assets.* During periods of lower trading activity, the advisory fee may be higher than the transaction charges you would have paid in a brokerage account. To determine whether an investment advisory account is appropriate for you, you should carefully analyze the projected costs of an investment advisory account versus a brokerage account based on factors such as expected size, volume and frequency of transactions, projected holding period and the advisory services provided by your financial professional.

Other Fees & Costs: Outside of advisory fees, other services offered by us can be provided under a variety of arrangements which can differ based on the needs of the client. Other fee arrangements include fixed retainer fees, hourly fees and asset-based fees. For hourly arrangements, our standard rate is \$250 per hour of consulting or wealth planning services. These fees will be assessed on the agreed upon schedule and for the agreed upon period.

In a brokerage account, offered through RJFS, you will incur transaction charges when you buy or sell securities. Please refer to the RJFS Form CRS for a more detailed description.

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 our fees and charges, please refer to our ADV Part 2A.

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?

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.

Since we and your financial professional are compensated based on the amount of assets in your account, there is an incentive for us to increase your assets and a conflict of interest arises around any recommendation that would decrease your account value.

This summary does not identify all of our conflicts of interest, or all material facts about the conflicts of interest listed. **For additional information about these and other conflicts of interest**, please refer to our ADV Part 2A.

CONVERSATION STARTERS

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

How do your financial professionals make money?

Most financial professionals are compensated as a percentage of (a) advisory fees which are generally assessed quarterly at the rate you agreed upon with your financial professional (based on our established fee schedule); and (b) fees related to other products and services provided to you. The percentage of revenue that your financial professional receives will generally increase as revenue earned from their clients' accounts increases.

Also, financial professionals may receive incentive compensation from RJFS based on revenues earned from client accounts. Incentive compensation may include paid travel for recognition trips, stock options of Raymond James Financial, Inc. and certain

expense reimbursements. *Therefore, financial professionals are incentivized to increase revenues on your and other clients' accounts.*

Financial professionals may pay RJFS varying levels of costs dependent on the investment advisory program recommended to you. These costs may also vary based on the amount of discretionary client assets in our branch. *This creates an incentive for the financial professional to place you in an investment advisory program that results in greater net compensation.*

The revenue in each of the above points may include revenue earned from a financial professional's advisory and brokerage accounts.

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

No. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and financial professionals.

CONVERSATION STARTERS

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

Additional Information: This Form CRS is an SEC-mandated summary disclosure on certain important topics about The Karras Company. The information in this Form CRS is subject to the more complete terms and conditions of our investment advisory agreements and disclosures (including Form ADV Part 2), and does not create or modify any agreement, relationship or obligation you have with us. For additional information about us and our services, please visit thekarrascompany.com. If you would like additional information or a copy of this Form CRS, please call 801.825.3000. As was mentioned previously, our financial professionals may provide investment advisory services through The Karras Company and utilize brokerage services through Raymond James Financial Services. The Form CRS for RJFS is available at raymondjames.com/RJFSFormCRS.

CONVERSATION STARTERS

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?