

PARAGON FINANCIAL ADVISORS
FORM CRS RELATIONSHIP SUMMARY May 2024

Item 1: Introduction

Paragon Financial Advisors is an investment adviser registered with the U.S. Securities and Exchange Commission (SEC). 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 the SEC's investor education website, [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational material about broker-dealers, investment advisers, and investing.

Item 2: Relationship and Services

What investment services and advice can you provide me?

We offer investment advisory services to retail investors. We provide investment supervisory management services that we offer on a discretionary basis according to the authority you provide in an investment advisory agreement with us. When you grant us discretionary authority you provide us with authority to determine the investments to buy and sell in your account on an ongoing basis. We do not limit the scope of our investment advisor services to a limited group or type of investment. You may impose reasonable restrictions on our discretionary authority, which must be provided to us in writing and accepted by us. As part of portfolio management services, we will continuously monitor your investments and provide advice. Our services also include the recommendation or selection of other investment advisers. We require a minimum initial and ongoing account size for portfolio management services. Our minimum aggregated client assets under management (AUM) is \$1,000,000, however, we may at our sole discretion lower the minimum asset under management under certain circumstances.

We also provide financial planning services, to include retirement planning, investment planning, insurance review, estate planning review, and Social Security benefits optimization strategies. During the financial planning process we collect information such as goals and objectives, personal balance sheets, tax information, education needs, current investment composition, etc. Although we provide both investment management and financial planning services, we do not separate out separate fees for the two services. Rather, we charge one total fee based upon the aforementioned assets under management. However, for clients with aggregate AUM under \$1,000,000 we may at our sole discretion charge a separate fee for financial planning services.

Additional information: For more information about our services, see our Form ADV Part 2A (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1).

<https://adviserinfo.sec.gov/firm/summary/143721>

*Conversation Starters: * Given my financial situation, should I choose an investment advisor 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?

We charge a percentage of assets under management for portfolio management services. These fees are assessed on a quarterly basis, in arrears. You should be aware that the more assets there are in your account, the more you will pay in fees. This means we have an incentive to encourage you to increase the assets in your account.

Other Fees and Costs: In addition to our fees, you may incur additional fees and costs related to the investments in your account, such as custodian fees, account maintenance fees, transaction costs,

*Ask your financial professional.

surrender charges, wire transfer and electronic fund fees, internal management fees of mutual funds and variable annuities, and other product related fees such as redemption fees.

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. Please refer to firm's ADV Part 2, Item 5 for additional information regarding our fees. <https://adviserinfo.sec.gov/firm/summary/143721>

*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 providing recommendations 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 is an example to help you understand what this means.

We purchase research and execution services with commission dollars generated by investment transactions in your accounts. This is a conflict of interest because we have an incentive to use broker dealers who allow us to use your commission dollars to purchase research and execution services rather than other broker dealers who do not allow us to commission dollars. We also have an incentive to arrange more transactions in your accounts because the more frequently your accounts are traded the more commissions we generate to use for our purchase and research and execution services.

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

Additional Information: These arrangements and additional information about other possible conflicts of interest are discussed in more detail in our ADV Part 2A <https://adviserinfo.sec.gov/firm/summary/143721>

How do your financial professionals make money?

Our financial professionals receive a salary and a discretionary bonus based on their individual performance and the success of the firm. This is a conflict of interest because our financial professionals have an incentive to encourage a retail investor to increase the assets in a retail investor's accounts.

Item 4: Disciplinary History

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

No - Please visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research you and your financial professionals.

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

Item 5: Additional Information

We encourage you to seek out additional information about our investment advisory services in our Form ADV brochure on investor.gov or adviserinfo.sec.gov. You may also request a copy of ADV Part 3 (Form CRS), please contact us at 979-693-3907.

*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?*