

**Form ADV: Part 2
Firm Brochure
3/19/2020**

**Paratus Financial, Inc.
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Dallas, TX 75205
(214) 378-7400
<http://paratusfinancial.com/>**

This brochure provides information about the qualifications and business practices of Paratus Financial, Inc. If you have questions about the contents of this brochure, please contact us at the phone number above. The information in this brochure has neither been approved nor verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Paratus Financial, Inc. is also available at the SEC's website at www.advisorinfo.sec.gov.

In accordance with a requirement by the SEC, we are providing all clients receiving investment advice a brochure written in an easily understood format. Additionally, the SEC requires this brochure to include all of the sections listed in the Table of Contents. We must include a disclosure for each section, even if it does not apply directly to our firm. Hence, a number of the sections essentially state that the subject is not relevant to our practices.

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Advisory Business

Paratus Financial, Inc. was founded by Bonnie Free Grisz in 2003. Kyle M. Grisz, Paige E. Boyer, and Olivia P. Smith were appointed directors in 2017. Our directors' biographies can be found on page 17 under Educational Background.

Paratus Financial, Inc. provides comprehensive financial planning services in the areas of tax, investments, risk management, estate planning, and retirement. Fees are based on hourly rates and incorporated into annual fixed fee contracts prior to engagement.

Fees and Compensation

Paratus Financial, Inc. and its employees cannot receive compensation from the sale of any investment strategy. Clients have the option to purchase recommended investment strategies and products from non-affiliated firms.

Our hourly rates range from \$50 to \$600 per hour depending on the complexity of the work and the experience of the Paratus employees involved.

Directors' fees range from \$175 to \$600 per hour.
Associates' fees range from \$80 to \$300 per hour.

All fees are paid directly by clients in advance of work progression. Individual contracts identify both the work to be provided to the client and the fees owed as compensation during the contract period. A majority of these contracts are on an annual basis. A client may terminate a contract at any time, at which point a full refund of all unearned fees will be returned to the client.

Paratus Financial, Inc. must notify a client eighteen months prior to the termination of services to give the client sufficient time to ensure the smooth transition of their financial oversight.

Performance-Based Fees and Side-by-Side Management

Paratus Financial, Inc. does not charge performance-based fees or offer side-by-side management.

Types of Clients

Paratus Financial, Inc. provides financial planning services to high net-worth individuals, families, trusts, estates, charitable foundations, endowments, and corporations.

Methods of Analysis, Investment Strategies, and Risk of Loss

Paratus Financial, Inc. employs fundamental long-term investment strategies that target holding periods of over one year.

Portfolio management processes, including allocation of investment opportunities among clients and consistency of portfolios with clients' investment objectives, disclosures by the advisor, and applicable regulatory restrictions:

The appropriate investment strategy for each client can be developed only after a Statement of Investment Policy is formulated. All clients of the firm must have a Statement of Investment Policy.

Each Statement of Investment Policy requires:

- Qualified and prioritized financial objectives for the portfolio
- Prioritization of investment objectives
- Prioritized strategy for use of funds
- Investment considerations that must include
 - income requirements
 - liquidity needs
 - tax consequences including AMT, marginal rates, and tax-deferred accounts
 - target rate of return for portfolio and specific investments
 - risk tolerance including sophistication, experience, and diversification requirements
 - asset constraints
 - performance benchmarks and periods
 - fee review
- Appropriate ranges of allocation among asset classes

Each Statement of Investment Policy should be reviewed annually.

Implementation of these policies can be made with no-load mutual funds, managers, and a client's outside advisors.

Disciplinary Information

There are no legal or disciplinary actions involving Paratus Financial, Inc. or any individual associated with the firm.

Other Financial Industry Activities and Affiliations

Paratus Financial, Inc. is not engaged in any other business other than financial planning. The firm does not sell any other products or services to clients other than the type of financial advice that is delineated in each client contract. Paratus Financial, Inc. and its

directors receive no direct or indirect compensation for recommended investment strategies other than client contract fees.

Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Every Director and employee has signed our Code of Ethics as follows:

Rule 204A-1 under the Investment Advisers Act of 1940 (“Advisers Act”) requires all investment advisors registered with the Securities and Exchange Commission (“SEC”) to adopt codes of ethics that set forth standards of conduct and require compliance with federal securities laws.

Paratus Financial, Inc. (the "Company") is committed to conducting its business in accordance with applicable laws, rules and regulations, and the highest standards of business ethics, and to full and accurate disclosure in compliance with applicable laws, rules and regulations.

This Code of Ethics applies to all “Supervised Persons” of the Company who act as an investment advisor as defined by the Advisers Act in providing investment advice to advisory clients, unless otherwise noted below. The Advisers Act defines “Supervised Person” to mean any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of an investment advisor, or other person who provides investment advice on behalf of the investment advisor and is subject to the supervision and control of the investment advisor. As applied to the Company’s Investment Advisor Compliance Program, the term consists of all client contact registered representatives of the Company who, in the course of their business, act as an investment advisor as defined under the Advisers Act in providing investment advice to advisory clients.

Acknowledgement

Every Supervised Person will receive a copy of the Code of Ethics and any amendments. Each person will review the Code of Ethics and any accompanying amendments and provide written acknowledgement of receipt.

Standard of Conduct and Compliance with Laws, Rules and Regulations

Each director, officer, or employee of the Company must not only comply with applicable laws, rules and regulations; that person also must engage in and promote honest and ethical conduct and abide by the policies and procedures that govern the conduct of the Company's business. Each person’s responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and, in the case of directors and officers, maintaining a work environment that encourages employees to raise concerns to the attention of management and promptly addressing employee compliance concerns.

Paratus Financial, Inc. has a Fiduciary Relationship with our Clients

As a director, officer, or employee of the Company, we each have the following duties to our clients: to act honestly with clients at all times, to treat our clients with good faith and fair dealing, to act in the clients best interest at all times, to disclose to clients any and all conflicts of interest that may arise, to keep client matters confidential, to avoid misuse or dissemination of nonpublic information, and to refuse gifts from third parties.

Personal Securities Trading

Rule 204A-1 of the Advisers Act requires all “Access Persons” of an investment advisor registered with the SEC to report, and the investment advisor to review, their personal securities transactions and holdings periodically. The Advisers Act defines “Access Person” to mean any supervised persons of an investment advisor who (1) has access to nonpublic information regarding any advisory clients’ purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any reportable fund (*i.e.*, any mutual fund advised by Paratus Financial, Inc.), or (2) is involved in making securities recommendations to advisory clients, or who has access to such recommendations that are nonpublic.

The Chief Compliance Officer is required to compile and maintain a list of the Company’s Access Persons, and will promptly notify any Company Supervised Person who is or becomes an Access Person for these purposes.

Once identified, each Access Person is required to provide the following reports to the Chief Compliance Officer:

1. Holdings Reports: A report of the Access Person’s current securities and holdings (“Holdings Report”) that contains, at a minimum:
 - the title and type of security, and as applicable the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each “reportable security” (1) in which the Access Person has any direct or indirect “beneficial ownership” (2);
 - the name of any broker, dealer or bank with which the access person maintains an account in which any securities are held for the Access Person’s direct or indirect benefit.
 - the date the Access Person submits the report.

The Holdings Report must be submitted to the Investment Advisor Chief Compliance Officer:

- no later than 10 days after the person becomes an Access Person, and the information must be current as of a date no more than 45 days prior to the date the person becomes an Access Person; and
 - thereafter, at least one each 12 month period no later than the end of the first calendar quarter.
2. Broker trade confirmations and/or account statements for each account over which the Access Person has direct or indirect influence or control must be submitted to the Chief Compliance Officer no later than 30 days after the end of each calendar quarter. An access person will be deemed to have satisfied this reporting requirement with respect to any Company or other brokerage accounts for which the Company receives copies of such confirms and/or statements directly from the broker in question. The Broker trade confirmations or account statements must contain, at a minimum:
 - the date of the transaction, the title, and as applicable the exchange ticker symbol or CUSIP number, interest rate and maturity rate, number of shares and principal amount of each reportable security (1) involved;
 - the nature of the transaction (*i.e.*, purchase, sale or any other type of acquisition or disposition);
 - the price of the security at which the transaction was effected; and
 - the name of the broker, dealer or bank with or through which the transaction was effected.

(1) All securities are “Reportable Securities,” except: (a) direct obligations of the United States; (b) bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments; (c) transactions and holdings in shares of mutual funds, including money market funds, unless the mutual funds are advised by The Paratus Financial, Inc. (*i.e.*, “Reportable Funds”); (d) transactions in units of a unit investment trust unless it is invested in Reportable Funds; and (e) automatic investment plan (a program with period investment purchases or withdrawals made automatically to or from investment accounts in accordance with allocation and a predetermined schedule).

(2) “Beneficial Ownership” is interpreted in the same way as in determining whether a person has beneficial ownership of a security for purposes of Section 16 of the Securities Exchange Act of 1934, and includes ownership by any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares a direct or indirect pecuniary interest in a security. For example, a person should consider himself or herself the beneficial owner of securities held by his or her spouse, his or her minor children, a relative who shares his or her home, or other persons by reason of any contract, arrangement, understanding or relationship that provides him or her with sole or shared voting or investment power. If any Access Person has a question about whether he or she beneficially owns a security, he or she should consult the Chief Compliance Officer.

Pre-Approval of Certain Investments

An Access Person must obtain approval from the Chief Compliance Officer before he or she directly or indirectly acquires beneficial ownership in any security initial public offering or limited offering.

Consequences for Failure to Comply and Reporting Certain Conduct

A Supervised Person can be subject to discipline up to and including termination of employment if he or she violates this Advisor Code and its component parts, which includes the Corporate Code and the Supplemental Policies appended to this Advisor Code. If a supervised person knows of, or reasonably believes there is, a violation of applicable laws or this Advisor Code, they must report that information immediately to the Chief Compliance Officer. The supervisor should not conduct preliminary investigations, unless authorized to do so by the Chief Compliance Officer. Anyone who in good faith raises an issue regarding a possible violation of law, regulation, or company policy or any suspected illegal or unethical behavior will be protected from retaliation.

Insider Trading

All supervised persons should pay particular attention to potential violations of insider trading laws. Insider trading is both unethical and illegal and will be dealt with decisively if it occurs. If they have questions about these guidelines, they should consult with the Chief Compliance Officer or the Managing Director.

Conflicts of Interest

Each person may not make any investment, accept any position or benefits, participate in any transaction or business arrangement or otherwise act in a manner that creates or appears to create a conflict of interest unless you make a full disclosure of all facts and circumstances to, and obtain the prior written approval of either, the Chief Compliance Officer or Managing Director.

A "conflict of interest" arises when one takes actions or have interests that conflict in any way with the interests of the Company. These conflicts may make it difficult for one to perform their work objectively and efficiently.

Confidential Information

Every person is required to maintain the confidentiality of all confidential information that they receive or become privy to in connection with the Company's business, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might prejudice the ability of the Company to pursue certain objectives, be of use to competitors or harmful to the Company, its vendors, or its clients, if disclosed. Persons must not use confidential information for their own advantage or profit.

Disclosures

It is the Company's policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in all other public communications made by the Company. The Company's management has the general responsibility for preparing such filings and such other communications and shall ensure that such filings and communications comply with all applicable laws and regulations. Employees must provide all necessary information to management when requested and must inform management if they become aware that information in any such filing or communication was untrue or misleading at the time such filing or communication was made or if they have information that would affect any filings or communications to be made in the future.

Compliance with Code of Ethics

If a person knows of or suspects a violation of applicable laws, rules or regulations or this Code of Ethics, they must immediately report that information to the Chief Compliance Officer or Managing Director. Reports of suspected violations should identify as many relevant facts as possible, including, if applicable: (1) the date(s) relevant to the identified issue; (2) the name of any persons involved in the identified activity; (3) the specific facts that give rise to the concerns expressed; and (4) any suggestions for resolving or dealing with the problems or issues identified. The Company recognizes that resolving reported problems or concerns will advance the overall interests of the Company, and will help to safeguard the Company's assets, financial integrity, and reputation. *No one will be subject to retaliation because of a good faith report of a suspected violation.*

Violations of this Code of Ethics may result in disciplinary action, up to and including discharge. The Chief Compliance Officer and/or Managing Director shall determine, or shall designate appropriate persons to determine, appropriate action in response to violations of this Code of Ethics. Violations of this Code of Ethics may also violate certain laws.

Waivers of Code of Ethics

If anyone would like to seek a waiver of this Code of Ethics, they must make full disclosure of their particular circumstances to the Chief Executive Officer and Managing Director. Amendments to and waivers of this Code of Ethics will be publicly disclosed as required by applicable laws, rules and regulations.

Documenting Compliance with the Disclosure Policy

Appropriate records evidencing compliance with this Code of Ethics will be maintained by the Company, including copies of correspondence relating to requests for, and determinations relating to, waivers of this Code of Ethics, and copies of documents relating to violations of this Code of Ethics.

Brokerage Practices

Paratus Financial, Inc. recommends services with multiple Broker Dealers to ensure the best practices for each client's needs. Furthermore, Paratus Financial, Inc. does not receive any compensation from Broker Dealers. Finally, Paratus Financial, Inc. provides services for client assets housed at unaffiliated Broker Dealers.

Review of Accounts

Each Director reviews his or her client accounts on a continual basis for conformity with investment style and asset allocation. In addition, each Director reviews client accounts due to changes in portfolio managers or because of the relative performances of different assets, etc. Moreover, all accounts are reviewed upon a change in clients' stated objectives or financial situation.

Formal reports of these reviews are sent to clients regularly. Frequency and nature of these reports are agreed upon in the client's annual contract. Reports may include, but are not limited to, Statement of Investment Policy, Statement of Financial Condition, Asset Allocation, Portfolio Analysis, Performance Review, and Comparative Balance Sheets.

Client Referrals and Other Compensation

Paratus Financial, Inc. receives no financial benefit from reporting, reviewing, or recommending investment strategies other than fees explicitly defined in each client's annual contract.

Custody

Paratus Financial, Inc. does not provide custodial services of client assets.

Investment Discretion

Paratus Financial, Inc. does accept discretionary authority of some client accounts. However, in practice, all trading and asset moves are done only after reviewing them with the clients.

Voting Client Securities

Paratus Financial, Inc. does not assume authority to vote client securities.

Financial Information

Paratus Financial, Inc., in order to reduce administrative burdens, collects contractual fees of over \$1,200 per client more than six months in advance. As such, we are required to provide an audited financial statement as follows:

PARATUS FINANCIAL, INC.

BALANCE SHEET

AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2019



Salmon Sims Thomas
ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Shareholder
of Paratus Financial, Inc.

We have audited the accompanying balance sheet of Paratus Financial, Inc. (a Texas corporation) as of December 31, 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Paratus Financial, Inc. as of December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

Salmon Sims Thomas & Associates
A Professional Limited Liability Company

March 19, 2020

12720 Hillcrest Road | Suite 500 | Dallas, TX | 75230 | 972.392.1143 | 972.934.1269 fax | www.sstcpa.com

focused on your success

Paratus Financial, Inc.
Balance Sheet
December 31, 2019

ASSETS

Current Assets	
Cash	\$ 670,995
Accounts receivable	40,852
Total Current Assets	<u>711,847</u>
Property and Equipment	
Furniture and equipment	155,076
Leasehold improvements	159,313
	<u>314,389</u>
Less accumulated depreciation and amortization	(241,649)
Net Property and Equipment	<u>72,740</u>
TOTAL ASSETS	<u>\$ 784,587</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accrued expenses	\$ 3,470
Deferred revenue	607,340
Total Current Liabilities	<u>610,810</u>
TOTAL LIABILITIES	<u>610,810</u>
Stockholder's Equity	
Common stock; no par value; 100 shares authorized, issued and outstanding	1,000
Retained earnings	172,777
TOTAL STOCKHOLDER'S EQUITY	<u>173,777</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 784,587</u>

Paratus Financial, Inc.
Notes to the Financial Statement
December 31, 2019

Note 1 – Summary of Significant Accounting Policies

The summary of significant accounting policies of Paratus Financial, Inc. (Company) is presented to assist in understanding the financial statement. The financial statement and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statement.

Organization

The Company is a Texas corporation, chartered November 26, 2003. The Company, through its professional staff, provides fee-based financial planning to high-wealth individuals and families, with services including tax planning and compliance, estate planning, and comprehensive investment advice.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing this financial statement include those assumed in recording depreciation and amortization and the realizable value of accounts receivable. It is at least reasonably possible that the significant estimates used will change within the next year.

Cash and Cash Equivalents

The Company defines cash equivalents as highly liquid investments having an original maturity of ninety days or less. The Company places cash, which, at times, may exceed federally insured limits, with high-credit quality financial institutions. The Company has not experienced any losses on such assets. There are no cash equivalents at December 31, 2019.

Property and Equipment

Property and equipment is recorded at cost. Major additions and improvements are capitalized, while replacements, maintenance, and repairs, which do not improve or extend the lives of the respective assets, are expensed in the current period. When fixed assets are retired, the asset and related accumulated depreciation and amortization amounts are eliminated from the accounts and any resulting gain or loss is included in income for the period.

Paratus Financial, Inc.
Notes to the Financial Statement
December 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*, which will supersede the current lease requirements in Accounting Standards Codification (ASC) 840. The new standard requires lessees to recognize a right-of-use (ROU) asset and a related lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The new standard is effective for private entities for annual periods beginning after December 15, 2020 and will be adopted by the Company in 2021. The Company is currently assessing the impact that adoption of ASU 2016-02 will have on its results of operations.

New Accounting Standard for Revenue Recognition

On January 1, 2019, the Company adopted ASU No. 2014-09, *Revenue from Contracts with Customers*, Topic 606 (ASC 606) using the modified retrospective method on January 1, 2019. The Company applied the new revenue guidance and determined there to be no material impact on the timing or amount of revenue recognized upon adoption and any cumulative prior period adjustments were determined to be immaterial, therefore no adjustments were recorded to the opening balance of retained earnings. The Company expects the impact of the adoption of the new standard to be immaterial to the Company's net income on an ongoing basis.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable represent amounts billed and unpaid from clients for services rendered. An allowance for doubtful accounts is established based on past performance. Generally, all accounts over six months past due are deemed uncollectible. Uncollectible accounts receivable are specifically identified and charged to the allowance account. Recovered bad debts are credited to income when collected. At December 31, 2019, the allowance for doubtful accounts was \$0.

Paratus Financial, Inc.
Notes to the Financial Statement
December 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Revenues are recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration the Company expects to be entitled to receive in exchange for those goods and services. The Company applies the five-step revenue model under ASC 606 to determine when revenue is earned and recognized.

The Company's revenues primarily consist of financial service revenues. Revenue is deferred and recognized ratably as the services are provided.

In the event a client terminates his or her contract prior to completion, the Company must determine the amount of fees to which it's entitled based on its published refund policy. A refund will typically be due and payable within 30 days of the contract termination if the payments received from the client exceed the value of services provided after application of the refund policy.

The Company's receivables represent unconditional rights to consideration from its contracts with clients. Once a client is invoiced, payment is due immediately. However, payments may be received monthly or periodically. Accounts receivable due from clients at December 31, 2019 totaled \$40,852. The Company's contract liabilities are reported as deferred revenue and represent the excess of client fees received over amounts recognized as revenue. Deferred revenue is reflected as a current liability as all revenue from uncompleted contracts is expected to be earned in the next 12 months.

Depreciation and Amortization

Depreciation and amortization is provided for over the estimated useful lives of the assets using the straight-line method as follows:

Furniture and equipment	5 - 7 years
Leasehold improvements	10 years

Paratus Financial, Inc.
Notes to the Financial Statement
December 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

Federal Income Taxes

The Company has elected to be taxed as an S Corporation. Under these provisions, all profits and losses pass directly to and are taxed at the shareholder level. Therefore, no provision or liability for federal and/or state margin taxes has been included in these financial statements.

Accounting for Uncertainty in Income Taxes

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of FASB ASC Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the balance sheet taken as a whole. Accordingly, the accompanying balance sheet does not include any provision for uncertain tax positions, and no related interest or penalties have been accrued in the balance sheet. Federal and state tax returns of the entity are generally open to examination by the relevant taxing authorities for a period of three years from the date the returns are filed.

Date of Management's Review – The Company has evaluated subsequent events through March 19, 2020 the date the financial statements were available to be issued.

Note 2 – Related Party Activity

The Company leases its corporate offices from Edifice Complex, LLC, a company owned by the shareholder. The lease requires monthly payments of approximately \$7,400. The Company paid approximately \$89,000 under this lease for the year ended December 31, 2019. See Note 3.

There were shareholder distributions totaling \$114,778 for the year ended December 31, 2019.

Note 3 – Operating Lease Commitment

The Company entered into a lease with a related entity for office space that expires in June 2028. The lease includes a two percent per year escalation clause.

Future minimum lease payments required under this agreement are approximately as follows:

For the years ending December 31,

2020	\$ 91,300
2021	92,900
2022	94,400
2023	96,000
2024	97,600
2025 and thereafter	<u>299,500</u>
Total	<u>\$ 771,700</u>

Requirements for State Registered Advisors

Paratus Financial, Inc. is registered on a Federal level and has no additional State filing requirements. Further, no individual of the firm has any additional State filing requirements.

Supplement

This supplement is required for our firm directors:

Bonnie F. Grisz

Kyle M. Grisz

Paige E. Boyer

Olivia P. Smith

In accordance with a requirement by the SEC, we are providing all clients receiving investment advice a brochure written in an easily understood format. Additionally, the SEC requires this brochure to include all of the sections listed in the Table of Contents.

We must include a disclosure for each section, even if it does not apply directly to our firm. Hence, a number of the sections essentially state that the subject is not relevant to our practices. There are two parts to this ADV: Part 2A and Part 2B. This is the second part of the document and it fulfills the requirements of **Part 2B-Brochure Supplement**.

Educational Background and Business Experience

Bonnie Grisz (DOB 8/9/1960)

Education: Southern Methodist University (BA and BBA 1982, JD 1985); CFP (1985); CFA (1992)

Business Experience:

Ayco Company, LLP 1984-1987

Ernst & Young, Manager 1987-1989

Arthur Andersen, Senior Manager 1989-1993

Ayco Company, LLP (American Express, Goldman Sachs), Partner 1993-2003

Paratus Financial, Inc., Managing Director 2003-present

Adjunct Professor University of Dallas Graduate Management School

Kyle M. Grisz (DOB 6/23/1981)

Education: Texas State University-San Marcos (BS, MS Accounting 2004); CPA (2011)

Business Experience:

KPMG, Supervising Senior II 2004-2009

Puget Sound Energy, Senior Financial Reporting Analyst 2009-2011

Pope Resources, Accounting Manager 2011-2012

Paratus Financial, Inc., Director 2012-Present

Paige E. Boyer (DOB 7/5/1991)

Education: University of Mississippi (Ole Miss) (BBA 2013)

Business Experience:

Paratus Financial, Inc., Director 2014-present

Olivia P. Smith (DOB 6/16/1992)

Education: Southern Methodist University (BBA 2014)

Business Experience:

Paratus Financial, Inc., Director 2014-present

Disciplinary Information

There are no legal or disciplinary actions involving Paratus Financial, Inc. or any individual director associated with the firm.

Other Business Activities

Paratus Financial, Inc. and its directors are not engaged in any other business with its clients other than financial planning. Neither the firm nor its directors sell any other products or services to clients other than the type of financial advice that is delineated in each client contract.

Additional Compensation

Paratus Financial, Inc. and its directors receive no direct or indirect compensation for recommended investment strategies other than client contract fees.

Supervision

The directors oversee all operations and monitor all advice provided to clients.

Requirements for State Registered Advisors

Paratus Financial, Inc. is registered on a Federal level and has no additional State filing requirements. Further, no individual of the firm has any additional State filing requirements.