

# Customer Relationship Summary

Form ADV Part 3 – June 2020

## 1. Introduction

Harris Financial Advisors, Inc. (“HFA”) is registered with the Securities and Exchange Commission (SEC) as an investment advisor. It is important for you to understand how advisory services and brokerage services differ in order to determine which type of service and fee structure is right for you. Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](http://investor.gov/CRS), which also provides educational materials about investment advisors, broker-dealers, and investing.

## 2. Relationships and Services

### “What investment services and advice can you provide me?”

We offer investment advisory services to retail investors. This begins with an in-depth discovery meeting where we get to know you and understand what you want to accomplish. We then develop a written Investment Policy Statement (IPS), which we mutually discuss, refine and agree on to prioritize your financial goals. You give us limited power of attorney with discretionary authority over the recommended portfolio. This means that we have the authority to determine, without obtaining your specific consent, the types of investments and corresponding amounts to be bought or sold within your portfolio. Our discretionary authority is subject to limitations, including restrictions and prohibitions placed by you on certain types of businesses or industries. All such restrictions are to be agreed upon in writing at the account’s inception. We also offer limited non-discretionary services where we consult with clients prior to each trade in order to obtain client approval of transactions. Our standard investment advisory services include a written IPS, portfolio design, trading, and account monitoring on a daily basis. We primarily invest in mutual funds and exchange-traded funds (ETFs) in client portfolios, although we also offer advice on individual securities and alternative investment strategies. While we do not have specific account minimums, we generally prefer relationships starting at \$500,000.

We deliver comprehensive financial planning services which encompasses goal planning, analysis and recommendations on your current and future assets and liabilities, income and expenses, insurance coverage and estate documents. We collaborate with your accountant and estate planning attorney to help ensure your objectives are met now and in the future. For more detail regarding our services, please see Form ADV, Part 2A, items 4 & 7 with this link:

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=645752](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=645752)

### Questions to ask us:

*“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 or other qualifications? What do these qualifications mean?”*

## 3. Fees, Costs, Conflicts & Standards of Conduct

### What fees will I pay?

HFA charges investment management fees quarterly, in advance, based on a percentage of assets under management. Our fee ranges from 0.50% to 1.0% depending on the value of the investments in your accounts. Other fees and costs may include: internal fees charged by mutual funds and ETFs, third-party relationship fees and transaction fees charged by a custodian. We do not charge a separate fee to prepare or update a financial plan if we manage \$1 million or more for you. If we manage less than \$1 million and you desire a financial plan or plan update, we reserve the right to charge a separate financial planning fee.

**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 see Form ADV, Part 2A, item 5A, B, and C for more on fees and costs via this link:

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=645752](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=645752)

#### Questions to ask us:

*“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 cost, and how much will be invested for me?”*

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment advisor**, we have to act in your best interest and not put our interests 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 your understanding of the advice we give you. Here is an example to help you understand what this means: we may recommend you roll over your assets from your company’s retirement plan into an account we manage and on which we would charge a fee. The wisdom of our recommendation will only be revealed in future time periods and may prove to be advantageous or disadvantageous to you. Nevertheless, this recommendation does contain an element of conflict between you and HFA because we would earn a greater fee if the assets were under the management of HFA.

Please see Form ADV, Part 2A, items 11 & 12D regarding conflicts of interest via this link: [https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=645752](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=645752)

#### Questions to ask us:

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

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

Our financial professionals are employees of HFA and are paid salaries based on experience, level of client assets they service and the time and complexity required to meet clients’ needs. In addition to salaries, certain staff members earn bonuses related to meeting certain criteria including client meetings, client referrals and client retention.

#### 4. Disciplinary History

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

No. Please visit <https://www.investor.gov/CRS> for a free and simple search tool to research our financial professionals.

#### Questions to ask us:

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

#### 5. Additional Information

You can find additional information about HFA’s investment advisory services at [www.harrisfinancial.net](http://www.harrisfinancial.net).

Please call (310) 791-3226 to request up-to-date information and to request a copy of this relationship summary.

#### Questions to ask us:

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