

## TFO PHOENIX, INC. FORM CRS

TFO Phoenix, Inc. is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and it is important for you, our client, to understand the differences. Additionally, 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. This document is a summary of the services and fees we offer to “retail” investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

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

We offer the following investment services to retail investors: **Investment Management Services, Family Office Services, Family Office Advisory Services, Consulting Services, and Educational Seminars and Workshops**. Detailed information regarding our services, fees and other disclosures can be found in our Form ADV Part 2A Items 4, 7, and 8, which is available via the following link: <https://adviserinfo.sec.gov/firm/brochure/159440>.

**Account Monitoring:** If you open an investment account with our firm, as part of our service we will periodically monitor your investments.

**Investment Authority:** For accounts that we manage on a discretionary basis, we can decide which investments to buy or sell for your account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. We also offer *non-discretionary* investment management services whereby we will provide advice, but you *ultimately* decide which investments to buy and sell for your account.

**Investment Offerings:** We provide advice on various types of investments. Our services are not limited to a specific type of investment or product.

**Account Minimums and Requirements:** In general, we require an annual minimum fee of \$20,000 for Wealth Management and Full Service Clients. At our discretion, we may waive the minimum fee.

### KEY QUESTIONS TO ASK 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?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A, Items 5 and 6, which is available via the following link: <https://adviserinfo.sec.gov/firm/brochure/159440>

- We charge an **asset based fee** for our investment management services, which are payable quarterly in advance. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to encourage clients to grow assets with us and to discourage withdrawals which creates a conflict. We may offer different types of fee arrangements such as a percentage of net worth negotiated on an individualized basis.
- We charge an **hourly or fixed fee** for consulting services, which are payable in advance. Since the hourly fee we receive is based on the amount of time we spend working on consulting services, we have an incentive to increase the time we spend on your consulting project. Similarly, we have an incentive to estimate a higher fixed fee.

Additionally, the following are examples of the most common fees and costs applicable to our clients:

- Advisory fees charged by third-party money managers, which are separate from our fees;
- Custodian fees;
- Account maintenance fees;
- Fees related to mutual funds and exchange-traded funds;
- Transaction charges when purchasing or selling securities; and
- Other product-level fees associated with your investments

*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.*

### KEY QUESTIONS TO ASK 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?*

We do not make any money from our investment advisory services except as described above. Because our revenue is derived from asset-based fees, we have an incentive to encourage clients to grow assets with us and to discourage withdrawals. We also have a conflict of interest in suggesting that you add assets to our management and to your investment accounts by, for example, recommending that you roll over retirement funds from a 401K to be managed by our firm.

### **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.*

We have financial industry affiliates, such as insurance agencies, an investment adviser, a trust company, and a law firm. To the extent clients are referred to an affiliated entity, a conflict of interest exists in that TFO has an incentive to recommend an affiliated entity. Refer to our Form ADV Part 2A, which is available via the following link: <https://adviserinfo.sec.gov/firm/brochure/159440> to help you understand what conflicts exist.

#### **KEY QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL**

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

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

The financial professionals servicing you are compensated with a salary and/or bonus. Compensation is based on the overall individual performance, which includes client relationship skills, technical skills, consistency with the firm's values, teamwork, positive attitude, individual performance objectives, participation in firm-wide initiatives. The amount of new business generated by a financial professional may be taken into consideration in awarding bonuses. Financial professionals may also be awarded participation in TFO's Growth Incentive Plan, which provides compensation in connection with TFO's future growth. The bonus compensation paid to our financial professionals and participation in the Growth Incentive Plan involves a conflict of interest because they have a financial incentive to refer clients to our firm.

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

Firm – No. Financial Professional – Yes.

Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

#### **KEY QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL**

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

You can request a copy of the relationship summary at 602-466-2611 and find additional information about your investment advisory services via the following link: <https://adviserinfo.sec.gov/firm/brochure/159440>.

#### **KEY QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL**

*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?*

### **Employee Retirement Income Security Act (ERISA) Fiduciary Acknowledgment**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.