

**Form ADV 3 - Client Relationship Summary ("CRS")**

**February 26, 2024**

**Item1: Introduction**

- A. Contravisory Investment Management, Inc. ("Contravisory") is a Registered Investment Advisor ("RIA") with the Securities and Exchange Commission ("SEC"). Contravisory offers investment advisory services; we are *not* a broker. It is important for you, *the retail investor*, to know and understand that brokerage and investment advisory services and fees differ from each other.
- B. The SEC provides free information about RIA's, brokers, and investing. In addition, the SEC offers simple tools where you can research financial firms and professionals: [www.investor.gov/crs](http://www.investor.gov/crs).

**Item2: Relationships & Services: What investment services and advice can you provide me?**

- A. Contravisory provides ongoing investment management services where we accept discretionary authority as part of our standard service offering to you. Our relationship develops from determining where you are financially and where you would like to be (a financial plan). As we get to know one another we may decide to apply our target investment minimum of \$500,000 or we may elect to ease off this threshold. Your investment management needs might be achieved by the standard strategies we offer, or we might customize an investment portfolio targeted just for you. And of course, investment restrictions, if any, will need to be considered. We then regularly monitor your accounts, provide quarterly reporting, and will periodically adjust your investments to best achieve your financial goals. As your trusted investment professional, we are your central point of contact for all your financial needs. We connect you with independent subject matter experts and ensure you receive the highest client service possible.
- B. In addition to our proprietary investment strategies, we offer a variety of equity and fixed income investment options through the brokers and custodian banks we work with. Please review our Form ADV 2 for more information or contact us and we will be happy to answer any questions you may have.
  - Q. *Given my financial situation, why should I choose an investment advisory service?*
  - Q. *How will you choose investments for my portfolio?*
  - Q. *What education, licenses, and experience do you have that qualify you to manage my portfolio? What do these qualifications mean?*

**Item3: Fees, Costs, Conflicts, & Standard of Conduct**

- A. **What fees will I pay?** Our fee schedule is 1.2% per annum for the first \$1,000,000, 1.0% for the next \$1,000,000, and 0.8% for amounts in excess of \$2,000,000. Fees are billed quarterly in advance using the market value of each account on the last day of each quarter. We may elect to modify this account fee structure when discussing our services with you. This fee structure incentivizes us to grow the value of your account both by good management and by encouraging you to add more money to your account. This could potentially be viewed as a

conflict of interest because the more your account is worth means our fee will be higher. Additionally, if we invest in mutual funds for you, the bank might assess a transaction 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. See Form ADV 2 for more information.

*Q. 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?*

- B. 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. For example, if you and one of our employees own the same stock and our portfolio management team decides to sell the stock then the employee is prohibited from selling the stock before it is sold in your account. Another example: our proprietary hedge funds may hold the same investments as you do. We have procedures to mitigate any preferential treatment of one account or group of accounts over another. See our Form ADV 2 for more.*
- Q. How might your conflicts of interest affect me, and how will you address them?*
- C. How do your financial professionals make money?** Our employees are salaried, and all are bonus eligible. Some employee bonus payments are tied to relationship management responsibilities for subsets of client groups. The structure of our business negates potential employee compensation conflicts.

**Item4: Disciplinary History – Do you or your financial professionals have legal or disciplinary history?**

- A. No. We have no legal or disciplinary history. You should always ask financial professionals about any disciplinary history. We recommend you visit [Investor.gov/CRS](http://Investor.gov/CRS) and use the free and simple search tool to research advisors.
- Q. As a financial professional, do you have any disciplinary history? For what type of conduct?*

**Item5: Additional Information**

- A. For another copy (or updated copy) of this Relationship Summary or for more information please contact us using the phone or address details at the bottom of the page. The most current version of this document as well as our Form ADV 2 can both be found on our web site, which is also listed at the bottom of this page. Our ADV 1 is on the SEC web site: <https://www.adviserinfo.sec.gov/Firm/109767>
- Q. Who is my primary contact person – are they a representative of your firm?*
- Q. Who can I talk to if I have concerns about my primary contact?*