

## Form CRS Customer Relationship Summary Altruist Financial LLC and Altruist LLC March 31, 2021

### Introduction

Altruist Financial LLC (the “BD”) is registered with the U.S. Securities and Exchange Commission (SEC) as a broker-dealer and is a member of Financial Industry Regulatory Authority Inc. (FINRA) and Securities Investor Protection Corporation (SIPC). Altruist LLC (the “RIA”) is registered with the SEC as an investment adviser. Altruist Financial LLC and Altruist LLC are wholly owned by Altruist Corp (the “Parent”), a privately held Delaware corporation which is not registered with a financial industry regulator and which doesn’t offer investment products or services. 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 [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

The BD offers brokerage services to retail investors, including buying and selling securities. The BD only accepts and effects securities trades on an agency basis from an unaffiliated third-party registered investment adviser (the “Adviser”) where there is a contractual relationship with both a retail investor and the BD. The BD does not make investment recommendations to retail investors; however, the retail investor may receive an investment recommendation from their Adviser that may be effected through the BD. The BD does not have discretionary investment authority and does not monitor accounts other than for what is necessary for anti-money laundering (AML) compliance. The BD offers a wide variety of equities, ETFs, mutual funds, and will add other securities over time, and does not offer any proprietary products. The BD does not require minimum balances to open or maintain accounts.

The RIA offers investment advisory services to Advisers so that they may serve their retail investors. Services include the offering of model portfolios “Altruist Portfolios” through a wrap fee program, which entails the management of portfolio composition, rebalancing, and administration for a variety of models and portfolios that are based on market sectors, risk profiles and other factors. These Altruist Portfolios are not actively traded, but are subject to changes in their holdings based on determinations made by the RIA at regular or irregular intervals. Advisers can set the Altruist Portfolios to be rebalanced automatically when they drift away from their target allocations.

By offering these Altruist Portfolios, the RIA is offering investment advice through its web-based platform. The RIA does not offer personalized investment advice to Advisers or to retail investors. The RIA conducts monitoring of its portfolio algorithms and rebalancing processes to ensure that Altruist Portfolios are invested according to their allocations. The RIA also makes available through its wrap fee program various third-party portfolios (“Third-Party Portfolios”), which are managed by unaffiliated portfolio managers. The RIA has investment authority over the Altruist Portfolios. However, the RIA does not have investment authority over retail investors’ brokerage accounts or which Altruist Portfolios, Third-Party Portfolios or portfolio settings are chosen by the Advisers for their retail investor customers, nor over any other securities transactions in the brokerage accounts of these retail investors. The Adviser, when granted investment authority by their retail investor customer, makes the ultimate investment decisions with respect to the retail brokerage account. The RIA does not require minimum balances to open or maintain accounts.

The Parent offers a monthly software subscription for Advisers to access the Altruist web-based platform, including features such as account aggregation, performance reporting, fee billing and householding (together, “Accounting Software”). These are not investment products, and though the Adviser is charged \$1 per month per account after the first 100 accounts, these fees are incurred by the Adviser, not by you. This Accounting Software is required for all Advisers using Altruist.

**For additional information**, please see our agreements and disclosures, including our Form ADV Part 2A, at <https://altruist.com/legal/>.

**Conversation Starters.** Ask your financial professional—

- **Given my financial situation, should I choose a brokerage 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?

Though the BD does not charge fees for most securities transactions including stocks and ETFs, there may be some fees related to transactions in other security types, including some mutual funds and fixed income securities (i.e. bonds). Additionally, the BD charges fees for certain types of transfers (i.e. ACATs and more), wire transfers, check or wire returns, physical copies of statements, broker assisted phone orders, and other occasional events related to your account. If you have an IRA, there is an annual maintenance fee and also a fee if you close the account. 401(k) accounts have annual maintenance fees as well. If you invest on margin, you will pay premiums on borrowed investments and on margin loans. There are also some underlying fees assessed by regulators (less than a penny per share or dollar). Lastly, processing and service fees assessed by third parties may be passed through to your account, and in some cases will be marked up to cover some of the BD’s overhead cost of processing these.

The RIA charges a wrap fee if you are invested in an Altruist Portfolio or a Third-Party Portfolio. Wrap fees are generally based on a percentage of the market value of the assets in your account. The wrap fee ranges from 0% to 1% per year. It is charged on a pro-rata annualized basis monthly in arrears based on the value of your account on the last day of the previous month. The wrap fee includes most transaction costs; however, when you are invested in an Altruist Portfolio or a Third-Party Portfolio, you may experience other charges and fees as well, which are discussed above as applying to brokerage accounts of the BD, as Altruist Portfolios and Third-Party Portfolios are made available to individuals who have brokerage accounts with the BD. If you invest in a Third-Party Portfolio, the unaffiliated portfolio manager will charge a fee for the management of that portfolio.

Some securities in which you may invest - whether bought individually or which are contained within Altruist Portfolios or Third-Party Portfolios - may have underlying fees and costs as well. For instance, if you invest in mutual funds, they may have certain management, distribution and other fees which you may not see but which reduce the value of those securities. Other securities such as exchange-traded funds (ETFs) also have fees, though these are often less than the fees of mutual funds.

It is your responsibility to ask your Adviser, the BD or the RIA if any additional fees may apply to any transaction or event you wish to take place with respect to your account. Your Adviser charges you fees separately for their services to you, and you should inquire with them as to what their fees are. You should also discuss with them all fees that are applicable to your account and transactions, the amounts of the fees, and which fees come from the BD, the RIA, the Adviser, the unaffiliated portfolio manager, or the securities.

**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.**

*For additional information*, please see our Fee Schedule at <https://altruist.com/legal/>

**Conversation Starter.** 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?**

**What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

***The BD does not provide recommendations. When the RIA acts as your investment adviser, it has to act in your best interest and not put its interest ahead of yours. At the same time, the way the BD and RIA make money creates some conflicts with your interests. You should understand and ask us about these conflicts. Here are some examples to help you understand what this means:***

The BD earns revenue from payment for order flow, fees from marketing and distribution of mutual funds, interest on customer account uninvested cash balances, fee share revenue from borrowed investment premiums and margin loans, and other means with respect to customer accounts. This can present a conflict of interest because the BD has an incentive to have you keep your account open, enact trades, maintain a large balance, borrow on margin, and generally keep your account active.

The RIA will receive more fees from you when you invest more funds into an Altruist Portfolio or a Third-Party Portfolio. Therefore, it has an incentive to encourage you to increase the funds you have invested in an Altruist Portfolio or a Third-Party Portfolio. However, given that the RIA does not have investment authority over your brokerage account or how much funds are deposited to this account or invested into any portfolio, and given that the RIA has minimal communications with you, this conflict of interest is minimized.

The RIA also offers a matching program to provide you with a list of Advisers, who have a business relationship with the BD, the Parent, and the RIA and if you choose an Adviser from that list, then the BD will earn revenue from your account, the Parent Company will receive fees (not paid by you) from the Adviser to use the platform, and the RIA could similarly receive more fees the more you invest, directly through the wrap fee. Therefore, the BD, Parent, and RIA have an incentive to recommend Advisers to you. However, you ultimately decide whether to choose an Adviser

and which Adviser is right for you, and that Adviser chooses which investments are suitable for you, which mitigates our conflict of interest.

**Conversation Starter.** Ask your financial professional—

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

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### How do your financial professionals make money?

The BD's and RIA's financial professionals are compensated in the form of salaries, hourly wages, and/or employee stock options. They are not compensated based on the amount of customer assets they service, the time and complexity required to meet a customer's needs, the product sold, product sales commissions, or revenue the BD or RIA earn from the financial professional's services. Any of these could present conflicts of interest.

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

**No.** Neither the BD nor the RIA or any of their financial professionals have a material legal or disciplinary history. Visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter.** Ask your financial professional—

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

### Additional Information

For additional information about our services, visit <https://altruist.com/> or for our agreements and disclosures, visit <https://altruist.com/legal/>. If you would like additional, up-to-date information or a copy of this disclosure, please call (888) 510-4660 or email [support@altruist.com](mailto:support@altruist.com).

**Conversation Starter.** 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?**