

BRIAUD FINANCIAL ADVISORS
FORM CRS RELATIONSHIP SUMMARY JUNE 2020

ITEM 1 - INTRODUCTION

Briaud Financial Advisors is registered with the Securities and Exchange Commission (SEC) as a registered investment adviser. 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 www.investor.gov/CRS, which also provides educational material about broker-dealers, investment advisers, and investing.

ITEM 2 – RELATIONSHIPS AND SERVICES

What investment services and advice can you provide me?

Our standard arrangement is to manage your investments on your behalf. As part of individual portfolio management service, we will continuously monitor your investments and provide advice. We will construct a portfolio of investments based on what we learn about your goals and your constraints. That portfolio may change over time as your needs or preferences change and as markets and the wider economy change.

Investment decisions made on your behalf are typically carried out on a *discretionary* basis. This means we will place trades on your behalf without explicit prior approval before each trade. This is in contrast to a *non-discretionary* arrangement, in which you would need to approve each trade before it happens or place the trades yourself. We believe trading discretion is nearly *always* more advantageous to clients, since it allows us to act on investment opportunities that may be time sensitive. Furthermore, many clients simply prefer not to be involved in every investment decision.

We do not limit the scope of our investment advisor services to proprietary products or a limited group or type of investment.

In addition to investment management services, we provide financial planning. We believe that investments cannot exist in a vacuum, independent of your broader financial life. This is why we will review your taxes, insurance, estate, and retirement on an ongoing basis as part of our relationship.

We require a minimum initial and ongoing account size of \$1,000,000 and a minimum annual fee of \$10,000 for investment management and financial planning services. We may waive or reduce these minimum requirements at our sole discretion.

Additional information about our services can be found in ADV Part 2A, Items 4 and 7.

Ask your financial professional...

- *Given my financial situation, should I choose an investment advisor 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?*

ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

What fees will I pay?

We charge a percentage of assets under management for portfolio management services. These fees are assessed on a quarterly basis, in arrears, and generally range from 0.50% to 1.00% of assets under management. You should be aware that the more assets there are in your account, the more you will pay in fees.

Although we provide both investment management and financial planning services, we do not separate out separate fees for the two services. Rather, we charge one total fee based upon the aforementioned assets under management.

Additionally, there may be other fees/expenses incurred by you related to your investment accounts, like

transaction fees and account maintenance fees. Please note, Briaud Financial Advisors does not earn any additional revenue from these fees, nor is incentivized to incur additional fees on your behalf. We do seek to lower the cost of investing where possible and review our custodial partners annually to ensure best practices

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 refer to firm's ADV Part 2, Item 5 for additional information regarding our fees.

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 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 charge a fee based upon the assets we manage for you. If the amount of assets rise, we earn a higher fee, and vice versa if those assets were to decline.
- We allow our employees to purchase or sell the same securities that we recommend and purchase on your behalf. We have policies and procedures that prohibit employee trading ahead of clients to mitigate this conflict.
- We receive certain products and services from our primary custodians and we may recommend using them to allow for ease of service.
- We provide investment services to BFA Alternatives Fund 1, Ltd., a pooled investment vehicle. Briaud serves as the general partner and can charge an annual maintenance fee. That fee is waived for all clients of Briaud Financial Advisors.

Ask your financial professional: How might your conflicts of interest affect me, and how will you address them?

Additional information about any conflicts of interest can be found in ADV Part 2A.

How do your financial professionals make money?

Sales is not a part of the compensation of any of our employees apart from our Director of Business Development. All financial professionals are paid a salary with the potential for a bonus on occasion based on overall company performance. You should discuss your financial professional's compensation directly with your financial professional.

ITEM 4 – DISCIPLINARY HISTORY

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

No. Please visit Investor.gov/CRS for a free and simple search tool to research us and your financial professionals.

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

ITEM 5 – ADDITIONAL INFORMATION

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?

To obtain additional information about Briaud Financial Advisors' service and to request a copy of ADV Part 3 (Form CRS), please contact us at 979-260-9771.