

Form CRS: Client Relationship Summary

June 30, 2020

Paragon Capital Management is an investment advisor registered with the Securities and Exchange Commission. It is important for you to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at www.investor.gov/CRS which also provides educational materials about investment advisers, broker-dealers and investing.

Relationships and Services. What investment services and advice can you provide me?

Paragon offers investment advisory services to retail investors. Our investment advice includes wealth management, financial planning, and consultations on charitable contributions, retirement planning, and estate planning. We will meet with you on a quarterly basis or more frequently when requested, offer you advice on a regular basis and discuss your investment goals, design a strategy to achieve those goals, and regularly monitor your account. Your agreement with us will allow us to buy and sell investments in your account without asking you in advance. This is called a discretionary account vs. a nondiscretionary account in which we give you advice and you decide which securities to buy and sell. Our account minimum is \$500,000 but can differ based on the client relationship.

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 and other qualifications? What do those qualifications mean?

Fees and Costs. What fees will I pay?

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay. If you open an advisory account, you will pay an on-going asset-based fee at the end of each quarter for our services, based on the value of the cash and investments in your advisory account. Some investments, such as mutual funds can have additional fees and can reduce your investment over time. You will pay fees and cost whether you make or lose money on your investment. Fees and costs will reduce any amount of money you make on your investments over time. The more assets that you have in your account, including cash, will increase the amount you pay us. *Our ADV Part II A, page 5, provides information about the fees we charge.*

You could open a brokerage account with a broker-dealer where you will pay a transaction-based fee. If you were to pay a brokerage fee, the more trades in your account results in more fees. The broker-dealer recommends an investment but the ultimate decision for the purchase or sale of investments in your account will be yours. The broker-dealer must act in your best interest.

Questions to Ask Us:

- Help me understand how these fees and costs will 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 acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

We are held to a fiduciary standard that covers our entire investment advisory relationship with you. This means we must put our clients' interests ahead of our own. For instance, we are required to monitor your investments, investment strategy and goals on a regular basis. At the same time, there can be conflicts of interests. You should ask us about those conflicts and how they affect your account. For instance, we pay referral fees to Schwab and to our wealth managers. This fee is paid to encourage the management and retention of new accounts but does not increase the fee you pay to Paragon. See our form ADV Part II Brochure page 15, client referrals, for additional information about those conflicts.

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 wealth managers are compensated with a fixed salary in addition to being compensated for new business. This additional compensation is a portion of the fiduciary fees we receive. This does not increase the fee paid by the client for our services but encourages our wealth managers to bring in and retain additional business for our firm.

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

- We do not have any legal disciplinary events. Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals.
- For additional information on our advisory services, see our Form ADV brochure on IAPD on Investor.gov or our website (paragoncap.com) and any brochure supplement your financial professional provides.
- To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, account or financial professional, contact us in writing. Paragon's CRD #is 108168.

Questions to Ask Us:

- 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?