



Client Relationship Summary (Form CRS/Form ADV Part 3) – June 2020

Krilogy Financial, LLC (“Krilogy”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser. Krilogy is not a broker-dealer. Clients and prospective clients should be aware that services and fees differ between investment advisers and broker-dealers. It is important for retail investors to understand the differences. Free tools are available to research advisory firms at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers and investing.

What investment services and advice can you provide me?

We offer portfolio management and advisory services to clients primarily through your financial advisor. If you open an advisory account with our firm, we’ll work with you to understand your current financial situation, existing resources, investment goals and risk tolerance. Based on what we learn, we’ll design a strategy with you to help you or your company -- Employer Sponsored Retirement Accounts -- achieve your investment goals through a portfolio of investments. As part of your overall strategy, your financial advisor may, but is not required to, utilize one or more of our Investment Committee monitored investment models and/or investments to assist in achieving your investment goal. If your account or a portion of your account is active in one of our investment models, your account will be rebalanced when they stray too far from model thresholds, otherwise it would occur manually based upon your advisor’s review and recommendations. We monitor your portfolio at least quarterly and ask your advisor to review it if it falls outside of certain preset thresholds. Our advisors should contact you at least annually to discuss your portfolio.

You determine whether we will manage on a discretionary or non-discretionary basis. If we manage your account on a discretionary basis, we will buy and sell investments in your account and may select third-party money managers without asking you in advance. We will have discretion until the advisory agreement is terminated by you or us. If we manage on a non-discretionary basis, we will make recommendations concerning securities and other assets, but you retain authority to act on these recommendations.

Financial Planning & Consulting is included in our services for no additional fee *upon request* to your individual advisor. Some of our advisors maintain the Certified Financial Planning (CFP®) designation. It is not a requirement to maintain this certification to provide financial planning, but the designation reflects additional training attained.

Generally, we and your advisor require a minimum value of client accounts to be \$250,000.

Additional information about our advisory services is in Item 4 of our Firm Brochure or Item 4 of our Wrap Fee.

Conversation Starter: *Given my financial situation, should I choose an investment advisory or broker services? 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?

You will be charged an ongoing quarterly fee based on the value of the investments in your account for which we are providing services. Krilogy can charge a minimum annual flat fee for accounts that do not meet Krilogy minimum value requirements. Fees are generally payable quarterly in advance. The majority of our clients pay a “Blended” fee ranging from 1.50% to .25%, depending on the value of the investments in your account for investment management and advice services. Krilogy also allows advisors to utilize a number of flat percentage fee schedules. Krilogy has grandfathered fee schedules of advisors that joined the firm that are higher than the Blended Fee. No client pays more than 2.00%, excluding other fees. Fees are negotiable upon request and at discretion of your advisor. Typically, the negotiated portion reduces the compensation received by your advisor.

- Since our fees are based upon a percentage of assets in your advisory account(s), we have an incentive to encourage you to increase the assets in your advisory account in order to increase our compensation. ***This includes recommendations or discussions about rolling over your employer plan account (e.g. 401k) to an IRA.***

- Our firm’s fees will be automatically deducted from your advisory account, which will reduce the value of your advisory account.
- The custodian that holds your assets charges transaction fees depending upon the security when we buy or sell an investment for you. These fees are in addition to our firm’s fee.
- Some investments, such as mutual funds, index funds, exchange trade funds charge additional fees and expenses that will reduce the value of your investments over time.
- Krilogy maintains a Wrap Fee Program with a Fee range up to 2.00%, including certain transaction costs.

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. Additional information about our fees are in Item 5 of our Firm Brochure and Item 4 Firm’s Wrap Fee Brochure, which is available online at <https://adviserinfo.sec.gov/firm/summary/149046>.

Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$100,000 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 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 interest. You should understand and ask about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- Our firm and investment advisors include licensed insurance agents and registered representatives of an unaffiliated broker-dealer who sell insurance and variable annuity products for additional commission.
- Our firm has affiliated private equity and bond funds (“KCM Funds”). The KCM Funds pay a Performance Allocation if a certain return is achieved. This is in addition to Krilogy’s Fees.

Additional information about our conflicts is in Item 10 and 12 of our Firm Brochure or Items 4,6 and 9 of the Wrap Brochure, which is available online <https://adviserinfo.sec.gov/firm/summary/149046>.

Conversation Starter: How might your conflicts of interest affect me and how will you address them?

How do your financial professionals make money?

Our financial professionals are compensated based on the revenue our firm earns from their advisory services or recommendations and the amount of client assets they service. They will also receive commissions for insurance or variable annuities they sell. Finally, financial professionals are eligible for the firm’s travel award program.

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

Yes. While the firm does not have a disciplinary history, certain financial professionals of the firm do. Visit Investor.gov/CRS for free and simple search tool to research our firm and financial professionals.

Conversation Starter: Do you have any disciplinary history as a financial professional? For what conduct?

Additional Information

More information is also available on the SEC’s website at <https://adviserinfo.sec.gov/firm/summary/149046> or upon request to compliance@krilogy.com or by calling (314) 884-2800. Compliance can be contacted with concerns as well.

**Who is my primary contact person? Is he or she a representative of an investment adviser or broker dealer?
Who can I talk to if I have concerns about how this person is treating me?**