

**Form ADV Part 2A  
Firm Brochure  
February 19, 2026**

This Brochure provides information about the qualifications and business practices of Burford Brothers, Inc. If you have any questions about the contents of this Brochure, please contact us at 214.523.2333, or via email at [charlie@burfordbrothers.com](mailto:charlie@burfordbrothers.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Burford Brothers, Inc. is a registered investment advisory firm. Registration of an investment advisory firm does not imply a particular level of skill or training.

Additional information about Burford Brothers, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Burford Brothers, Inc.**

**IARD# 306574**

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## **ITEM 2** Material Changes

### Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of our Firm Brochure. This Item discusses only specific material changes that are made to this Brochure and provides our clients with a summary of such changes.

### Material Changes since the Last Update

Since our last amendment filing on February 18, 2025, there were no material changes made to the brochure.

### Full Brochure and Additional Information

Full Brochure and additional information about Burford Brothers, Inc. are available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with us who are registered or are required to be registered as investment adviser representatives ("IAR").

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## Advisory Business

### FIRM INFORMATION

Burford Brothers, Inc. (“Burford Brothers,” “we,” “us,” “our”), a corporation formed in 1984, is a registered investment advisory firm located in Dallas, Texas.

Burford Caudle Family Capital is division of Burford Brothers, Inc. formed in March of 2022. Craig Caudle and Corbin Caudle will lead the division. Craig brings over 39 years of diverse investment experience to Burford Brothers, having served in leadership positions at both investment advisory and investment content firms. Corbin spent the last three years serving as an analyst and an operations lead in the Family Office division of a multi-billion dollar Dallas based investment advisor.

### PRINCIPAL OWNERS

Burford Brothers is owned and controlled by Charles Scott Burford, Sr., its President, and Charles Scott Burford, Jr. Charles Burford, Jr. is the Chief Executive Officer.

### INVESTMENT ADVISORY SERVICES

#### **Asset Management Services:**

We provide asset management services in which we manage your custodial accounts and provide you with continuous and ongoing supervision of your custodial accounts. Our services provide additional investment opportunities among stocks, bonds, mutual funds, exchange-traded funds (ETFs), Real Estate Investment Trusts (REITs), options, and additional securities.

We use a third-party platform to facilitate discretionary management of held away assets, such as defined contribution plan participant accounts. The platform allows us to avoid being considered as having custody of client funds since we do not have direct access to client log-in credentials to execute trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. If we use this platform to manage your assets, a link will be provided to you, allowing you to connect your account to the platform. Once your account is connected to the platform, we will review and allocate your account considering your goals, risk tolerance, and investment strategy.

#### **Retirement Plan Consulting Services:**

We provide advisory services to plan sponsors of employer-sponsored retirement plans for which it has been specifically engaged, in addition to supporting affiliated companies through other non-advisory services to retirement plans for corporations and other business entities as a 3(21) fiduciary. Such advisory services can include selection and/or de-selection and replacement of individual investment options pursuant to agreed investment criteria.

In choosing and monitoring investment options for employer-sponsored retirement plans, we look for reliable fund companies that have a consistent track record and steady performance. Once a fund company is identified for possible selection for a particular retirement plan product, we conduct an in-depth review of the company’s operations, funds, and personnel before determining if the company’s funds are investment options. Quantitative and qualitative factors such as regional exposure, fund management, and asset size/growth are also evaluated. The fund companies are monitored on a continuous basis at the firm level. We will assist in the construction of the portfolio

by ensuring all core asset classes are covered to offer full diversification opportunities. However, the final decision of which funds to select is up to the plan sponsor and/or consultant.

### **Financial Consulting Services:**

We provide financial consulting services in which we provide continuous and ongoing consultation and guidance on additional investment opportunities. We accomplish this by helping you review your financial goals, tax planning strategies, asset allocation, risk management, retirement planning, and other areas and objectives such as budgeting, education planning, cash flow planning, charitable planning, lines of credit analysis, insurance analysis, business financial planning, mortgage/debt analysis, real estate analysis, oil and gas offerings, mineral rights, and additional securities. We will summarize our services to you in a written report, which will typically include general recommendations for a course of action or specific actions to be taken by you. Implementation of the recommendations will be at your discretion.

### **Ongoing Financial Consulting Services**

Upon completion of the client's consulting engagement, we will revisit all or some of the following areas of analysis: financial goals, tax planning strategies, asset allocation, risk management, retirement planning, and other areas and objectives such as budgeting, education planning, cash flow planning, charitable planning, lines of credit analysis, insurance analysis, business financial planning, mortgage/debt analysis, real estate analysis, oil and gas offerings, mineral rights, and additional securities throughout the course of a year via scheduled meetings, calls, or follow-up emails to ensure that the initial recommendations in the consulting engagement are implemented or to make adjustments to the Client's objectives.

### **Third-Party Money Management Services:**

We may recommend third-party money managers ("TPMMs") to manage part or the client's entire portfolio. TPMMs may be recommended when the TPMMs' philosophy, investment strategy, and style meets the client's financial situation, investment objectives, and risk tolerance. The asset management services provided by the TPMMs, the compensation to be paid, and other terms of the relationship between the client and the TPMMs will be described in the TPMMs' disclosure documents and its managed account agreement.

### **Types of Investments**

We offer advice on equity securities, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, mutual fund shares, United States government securities, options contracts on securities, options contracts on commodities, money market funds, real estate, REITs, and ETFs.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

### **Multi-Family Office Services**

The Burford Caudle Family Capital division will focus its efforts to deliver a uniquely managed client driven investment platform along with a comprehensive financial planning offering. These two service initiatives will build on a decades long commitment of Burford Brothers to its clients but will be modified to address the complexity and specific needs of ultra-high net worth clients. The Burford Caudle Family Capital division will draw on the cumulative experience, energy, and expertise of the entire Burford Brothers organization to deliver on this commitment to current and future clients.

## CLIENT INVESTMENT OBJECTIVES/RESTRICTIONS

Burford Brothers offers the same suite of services to all our clients. However, specific advice and the implementation are dependent upon the individual client's Investment Policy Statement, which outlines a client's current financial situation, such as income, net worth, and risk tolerance levels. This information is essential in the development of a client-specific plan in the selection of investments that matches restrictions, needs, and targets. On a case by case basis, our clients may impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent us from properly servicing the client's account, or if the restrictions would require us to deviate from our standard suite of services, we reserve the right to end the relationship. We may request additional information and documentation such as current investments, tax returns, insurance policies, and estate plan. We will discuss your investment objectives, needs, and goals, but you must inform us of any changes. Unless directed by you, we do not independently verify any information provided to us by you or your attorney, accountant, or other professionals.

## WRAP FEE PROGRAMS

Burford Brothers offers a wrap fee program as described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. Generally, we do not manage wrap fee accounts in a different fashion than non-wrap fee accounts; however, certain client accounts may be managed differently based on the size and nature of the account and/or the client's investment objectives and risk tolerance.

In our wrap fee program, your fee is bundled with our costs for executing transactions in your account(s). This may result in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

## ASSETS UNDER MANAGEMENT

As of December 31, 2025, we managed \$432,512,458 in on a discretionary basis and \$7,695,808 on a non-discretionary basis.

## ITEM 5 Fees and Compensation

### ANNUAL FEES FOR ADVISORY SERVICES

Fees for retirement plan services are negotiated before the signing of the Retirement Plan Advisory and Consulting Agreement. The agreement language includes the negotiated fee, which may be charged as a percentage of the total retirement plan assets and/or as a flat annual fee.

Asset Management Fee Schedule	
First \$2,000,000	0.75%
Next \$2,000,001 - \$20,000,000	0.50%

Next \$20,000,001 +	0.40%
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<b>Financial Consulting Fee Schedule (Based on Assets Under Advisement)</b>	
First \$2,000,000	0.75%
Next \$2,000,001 - \$20,000,000	0.50%
Next \$20,000,001 +	0.40%

<b>Financial Consulting Fee Schedule</b>	
Ongoing Annual Fixed Fee	\$18,000 - \$500,000

<b>Retirement Plan Advisory and Consulting Fee Schedule</b>	
Percentage of Plan Assets	0.40% - 1.00%

## **FEE BILLING & PAYMENT**

The fee billing will be pre-determined in writing in the investment advisory agreement that is executed by you and Burford Brothers. Our asset management fees are payable monthly in arrears. Our fees are annual fees and may be negotiable. Payments are due on the first day of the calendar month and are based on the account's asset value as of the last business day of the prior calendar month multiplied by the applicable annual rate and divided by twelve (12). The fee for the prior month is billed and payable within ten (10) days after the end of the prior month. We may take into account withdrawals and deposits made during the billing period on a prorated basis when determining the account's asset value.

Retirement plan consulting fees will be billed on a monthly basis, in arrears, at the end of each calendar month, due within thirty (30) days after the date of invoice, unless otherwise agreed to by the parties. The fee will be billed directly to the plan sponsor or paid directly from the plan assets if authorized by the plan fiduciary.

Financial consulting fees are an annual fee and are negotiable. The fees are paid quarterly in arrears. Payments are due on the first day of the calendar quarter and are based on the asset's fair market value as of the last business day of the prior calendar quarter multiplied by the applicable annual rate and divided by four (4). The fee for the prior quarter is billed and payable within ten (10) days after the end of the prior quarter, based on the value of the asset's fair market value on the last business day of that quarter.

In TPMM accounts in some instances, Burford Brothers deducts the advisory fee from the client's account and then will forward a portion of the fee to TPMM. We urge our clients to refer to the selected TPMM's disclosure documents for exact fees and expenses charged by each such TPMM, as well as minimum account requirements, refund, and termination provisions. A complete description

of each program can be found in disclosure materials prepared by the TPMM, which we will provide to the client at the time we recommend the program.

We may take into account withdrawals and deposits made during the billing period on a prorated basis when determining an account's asset value.

You are responsible for all third-party fees (i.e., custodian fees, mutual fund fees, transaction fees, etc.). These fees are separate and distinct from the fees and expenses charged by Burford Brothers.

### **TERMINATION OF AGREEMENT**

Either party may terminate the investment advisory agreement by providing 30-day advance written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable up to and including the effective date of termination.

Notwithstanding the above, if we do not deliver the appropriate disclosure statement to you at least 48 hours prior to you entering into any written or oral advisory contract with this us, then you have the right to terminate the contract without penalty within five (5) business days after entering into the contract.

### **OTHER EXPENSES AND FEES**

The fees discussed above include payment solely for the investment advisory services provided by us and are separate from certain fees or charges that are imposed by third parties in connection with investments made on your behalf for your account. Third-party fees may include markdowns, markups, brokerage commissions, other transaction costs, and/or custodial fees.

Also, all fees paid to us for asset management services are separate from the expenses charged by exchange-traded funds and mutual funds to their shareholders. These fees and expenses will be used to pay management fees for the funds, other fund expenses, account administration, and a possible distribution fee. Exchanged traded funds and mutual funds can be invested in directly by you without our services. However, you would not receive our services to assist you in determining which products or services are most suitable for your financial situation and objectives. You should review both the fees we charge and the fees charged by the fund(s) to understand the total fees to be paid fully.

## **ITEM 6**

### **Performance-Based Fees and Side-By-Side Management**

We do not charge any performance-based fees, which are fees based on a share of capital gains on or capital appreciation of your assets.

## **ITEM 7**

### **Types of Clients**

We provide our investment advisory services to:

- Individuals
- High Net Worth Individuals
- Business Owners
- Trusts or Estates

- Charitable Organizations
- Corporations and/or Other Business Entities
- State or Municipal Government Entities

Our minimum fee for asset management services is 0.40%. Such minimum may be waived on a case by case basis.

## ITEM 8

# Methods of Analysis, Investment Strategies, and Risk of Loss

## METHODS OF ANALYSIS

We use various methods of analysis and investment strategies, including the following:

**Charting** - This is a type of technical analysis where we review various charts of market and security activity in an attempt to identify when the market is moving up or down and predicting how long trends may last and when that trends might reverse.

**Fundamental Analysis** – We evaluate economic and financial factors to determine if a security may be underpriced, overpriced, or fairly priced. This method entails assessing a security by attempting to determine its intrinsic value by examining related financial, economic, and other qualitative and quantitative factors. Fundamental analysis requires an in-depth look at all factors that can affect the security's value, from macroeconomic factors (like the overall economy and industry conditions) to individually specific factors (like the financial situation and management of companies). The overall objective of performing the fundamental analysis is to determine a value that an investor can use to determine what sort of position to take with that security. This method of security analysis is contrary to technical analysis. Fundamental analysis involves using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

**Technical Analysis** – This method involves the evaluation of securities by performing an analysis of static information that is generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's intrinsic value but instead use charts and other tools to determine the patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

**Modern Portfolio Theory** - Modern portfolio theory (MPT) is a risk-averse theory that involves the construction of portfolios to maximize and optimize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward. According to the theory, it's possible to construct an "efficient frontier" of optimal portfolios offering the maximum possible expected return for a given level of risk.

## INVESTMENT STRATEGIES

When formulating investment advice or managing client assets, we will use the following investment strategies. There are inherent risks associated with each of these strategies.

**Long-Term Strategy** - A long-term strategy may not take advantage of short-term gains or may experience more volatility over the life of the portfolio.

**Short-Term Strategy** - A short-term strategy may run the risk that certain anticipated market movements do not occur, resulting in the client holding a security for longer than intended.

Your accounts are managed separately with your underlying investment strategies, restrictions, or investment limitations defined within the investment management agreement.

As discussed below, the market for cryptocurrencies can be extremely volatile and subject to sudden price changes. Burford Brothers will monitor the cryptocurrency market during regular business hours on days in which the New York Stock Exchange is open and will not make investment recommendations or effect transactions outside of those times.

## POTENTIAL RISKS

Investing involves different levels of risk that can result in loss of any profits and/or principal you have not realized. We manage your account in a manner consistent with your pre-determined risk tolerance and suitability profile. However, we cannot guarantee that our efforts will be successful. Investing in securities involves the risk of loss clients should be prepared to bear.

**Investing involves the assumption of risk, including:**

**Financial Risk:** This is the risk that the companies we recommend to you perform poorly, which affect the price of your investment.

**Market Risk:** This is the risk that the stock market will decline, decreasing the value of the securities we recommend to you with it.

**Inflation Risk:** which is the risk that the rate of price increases in the economy deteriorates the returns associated with the stock.

**Political and Governmental Risk:** This is the risk that the value of your investment will be affected by the introduction of new laws or regulations.

**Interest Rate Risk:** This is the risk that the value of the investments we recommend to you will fall if interest rates rise.

**Call Risk:** This is the risk that your investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.

**Default Risk:** This is the risk that issuer is unable to pay the contractual interest or principal on the investment promptly or at all.

**Manager Risk:** This is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.

**Industry Risk:** This is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.

**Cryptocurrency Mutual Funds and Exchange-Traded Funds (ETFs) Risks:** As part of our investment strategies, we may recommend or allocate client assets to cryptocurrency mutual funds

and exchange-traded funds (ETFs). These investment vehicles provide exposure to digital assets but are subject to unique risks, including:

- **Market Volatility** – Cryptocurrencies are highly speculative and may experience significant price fluctuations.
- **Regulatory Uncertainty** – Future regulations may impact the availability, taxation, and valuation of cryptocurrency-related investments.
- **Liquidity Risks** – Some cryptocurrency funds may have limited liquidity, affecting pricing and redemption.
- **Custodial and Security Risks** – While these funds are held through traditional custodians, underlying assets may be subject to cybersecurity threats.
- **Expense Considerations** – Cryptocurrency funds often have higher management fees than traditional funds due to increased operational complexity.

Investors should consider these factors when investing in cryptocurrency-related funds, as past performance is not indicative of future results. We evaluate these investments based on client suitability, risk tolerance, and overall portfolio objectives.

## **ITEM 9** Disciplinary Information

As of the date of this brochure, we have not been subject to any disciplinary, legal, or regulatory events related to past or present investment clients. There has been no disciplinary, legal, or regulatory events related to us or any of our management persons.

## **ITEM 10** Other Financial Activities and Affiliations

### **FINANCIAL INDUSTRY ACTIVITIES**

Neither Burford Brothers nor its management persons are registered or has an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Neither Burford Brothers nor its management persons are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or commodity trading advisor.

### **SELECTION OF OTHER INVESTMENT ADVISERS**

We may recommend or select TPMMs for our clients and receive compensation from the third-party via a fee share; thus, a material conflict of interest exists between our interests and those of our clients in that Burford Brothers has an incentive to direct clients to TPMMs that provide us with a larger fee split. Burford Brothers will always act in the best interest of our clients when making recommendations or selecting TPMMs. The client always has the right to decide whether to act on our recommendations and whether to utilize the services of the recommended TPMM. The client always has the right to utilize the professional of his or her choice. All TPMMs will be properly licensed and registered as investment advisers in the proper jurisdictions. The fees shared will not exceed any limit imposed by any regulatory agency.

## **ITEM 11** Code of Ethics, Participation in Client Transactions and Personal Trading

### **CODE OF ETHICS**

Burford Brothers has developed a code of ethics that will apply to all of our supervised persons. We and our IARs must act in a fiduciary capacity when providing investment advisory services to you. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Burford Brothers has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle of our code of ethics, which also covers our insider trading, and personal securities transactions policies and procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will acknowledge that they have read, understand, and agree to comply with our Code of Ethics.

Our Code of Ethics is available to clients and prospective clients upon request.

### **RECOMMENDATIONS INVOLVING A MATERIAL FINANCIAL INTEREST**

Neither we nor any related person recommend to clients or buys or sells for clients' accounts securities in which we or a related person has a material financial interest.

### **PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

There may be instances where an IAR will recommend to investment advisory clients or prospective clients the purchase or sale of securities and/or cryptocurrency in which an IAR, its affiliates, or other clients may also have a position or interest. Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis. Generally, in such circumstances, the affiliated and client accounts will share execution costs equally. Completed trade orders will be allocated according to the instructions from the initial trade order. Partially filled trade orders will be allocated on a pro-rata basis. Any exceptions will be explained in the trade order.

### **PERSONAL TRADING**

Employees are permitted to have personal securities accounts as long as personal investing practices are in line with fiduciary standards and regulatory requirements and do not conflict with their duty to Burford Brothers and our clients. Burford Brothers monitors and controls personal trading through pre-approval of all personal securities transactions or blackout periods imposed upon employees trading in the same securities as Burford Brothers. We forbid any officer or employee, either personally or on behalf of others, to trade on material, nonpublic information or to communicate such information to others in violation of the law.

## **ITEM 12** Brokerage Practices

Burford Brothers currently has arrangements with Charles Schwab & Co, Inc. ("Schwab"). Schwab is the unaffiliated, qualified custodian whereby Burford Brothers would suggest you custody your accounts and is an independent SEC-registered broker-dealer and a member of FINRA and SIPC.

As a fiduciary, we are obligated to seek out the best execution of client transactions for that accounts that we manage. In general, the execution of securities transactions is at a total cost to process each transaction and are the most favorable under the circumstances. However, we do not limit the best execution to the lowest available price. Additional factors are taken into consideration when determining the arrangement and services in the selection of a broker-dealer or qualified custodian. Our review consists of reviewing the commission and fee structures of various broker-dealers, research platform, and execution services. Accordingly, while we do consider competitive rates, we do not necessarily obtain the lowest possible commission rates for account transactions. Therefore, the overall services provided by unaffiliated broker-dealers and qualified custodians are evaluated to determine the best execution. You may pay trade execution charges and higher commissions through the trading platforms approved by us than through platforms that have not been approved by us.

Burford Brothers offers discretionary Flourish Crypto accounts to clients and has the authority to trade the account. Clients always retain the ability to trade within their own account. The minimum order size is \$100 in value, and the maximum order size is \$100,000 in value.

Burford Brothers, as part of its oversight of cryptocurrency trading through Flourish Crypto, periodically reviews reports provided by Paxos or Flourish Digital Assets summarizing transaction prices compared to market prices for similar transactions. The Adviser does not perform independent transaction analysis.

## **RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

### **Products & Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis and at no charge to us as long as we maintain a total of at least \$10 million of our clients' assets in accounts at Schwab.

### **Services that Benefit Client**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access, or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit clients or their account(s).

### **Services that May Not Directly Benefit Clients**

Schwab also makes available to us other products and services that benefit us but may not directly benefit the client or their account(s). These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocate aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of our fees from our clients' accounts; and
- assists with back-office functions, recordkeeping, and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

Irrespective of direct or indirect benefits to our client through Schwab, we strive to enhance the client's experience, help reach their goals and put their interests before that of our firm or its associated persons.

## **BROKERAGE FOR CLIENT REFERRALS**

We do not receive client referrals from broker-dealers.

## **DIRECTED BROKERAGE**

Clients will be permitted to select any broker-dealer of their choosing. In these situations, we may be unable to achieve most favorable execution for client transactions. Directing brokerage may cost clients more money in that the client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

## **TRADE AGGREGATION**

We attempt to allocate trade executions in the most equitable manner possible, taking into consideration current asset allocation and availability of funds using price averaging, proration, and consistently non-arbitrary methods of allocation. We may aggregate orders in order to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among our clients' differences in prices and commission or other transaction costs. In aggregated orders, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

## **ITEM 13** Review of Accounts

### **PERIODIC REVIEWS**

We review retirement plan accounts no less than quarterly. These accounts will be reviewed by our team at Burford Brothers, Inc. Accounts are reviewed to evaluate asset allocation, investment strategy and objectives, cash balance, and performance, as well as the general economic outlook and current investment trends.

### **REVIEW TRIGGERS**

We conduct periodic reviews to evaluate current market, economic and political events and how these may affect client accounts. Additional reviews may be triggered by these events or by events in the client's financial or personal status.

### **REGULAR REPORTS**

Retirement plan clients may create and/or review the plan's Investment Policy Statement ("IPS"). The plan client may also receive quarterly written reports evaluating the performance of the plan's investments as well as comparing the performance thereof to benchmarks set forth in the IPS or as otherwise determined in our judgment. The information used to generate the reports will be derived from statements provided by the plan fiduciary or third party. This review will include a quantitative and qualitative analysis of investment selections included within the plan and provide third-party commentary on investment options whenever available.

## **ITEM 14** Client Referrals and Other Compensation

While we do not have any current arrangements with any TPMMs, at such time that we do, we will receive compensation based on the service they provide to our clients. Any such compensation arrangement will be formalized in an agreement and disclosed to our clients.

Please see Item 12 Brokerage Practices for information regarding benefits we receive from our custodian.

We do not pay, nor do we receive compensation to referral clients to third parties.

## **ITEM 15** Custody

We are deemed to have custody of client funds and securities due to our ability to deduct management fees from clients' accounts. We will not take physical custody of clients' funds and will not assign or transfer trading authorization to another advisor. Clients will receive account statements from the qualified custodian(s) holding their funds and securities at least quarterly. The custodian's account statements will indicate the amount of our advisory fees deducted from the clients' account(s) each billing period. These statements should be carefully reviewed by the client for accuracy. Item 5 – Fees and Compensation has additional information regarding our ability to deduct management fees from clients' accounts.

Furthermore, our firm may utilize Standing Letters of Authorization (SLOA) which provide the firm the ability to direct payments from a client account to a predetermined location. Utilizing SLOAs has been deemed a form of custody. As such, our firm has adopted the following safeguards in conjunction with our custodian:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer. • The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## **ITEM 16** Investment Discretion

### **DISCRETIONARY AUTHORITY FOR TRADING**

If you are participating in our asset management services, upon receiving your written authorization via our executed investment advisory agreement, we will maintain trading authorization over your designated account and may also implement trades on a discretionary basis.

When discretionary authority is granted, we will have the limited authority to determine the type of securities to be purchased, sold, or exchanged and a number of securities that can be bought, sold, or exchanged for your portfolio without obtaining your consent for each transaction.

If you do not grant this limited investment discretion, your IAR will be required to contact you and get affirmation regarding our investment recommendations, such as the security being recommended, the number of shares, whether the security should be bought or sold before implementing changes in your account.

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, it is critical that you respond promptly. If we do not receive a response to our request immediately, the timing of trade implementation may lead to an adverse impact where we may not achieve the optimal trading price.

On a case by case basis, you may place reasonable restrictions on the types of investments that may be purchased or sold in your account so long as the restrictions are explicitly set forth or included as an attachment to the investment advisory agreement.

## **ITEM 17** Voting Client Securities

We do not have the authority to vote proxies as it pertains to the issuers of securities held in your account. The responsibility for voting your securities places increased liability to us and does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting your securities.

Therefore, you are responsible for voting all proxies for securities held in accounts managed by us. Typically, our qualified custodian will forward you your proxy information. Although we do not vote your proxies, you can contact us if you have a question about a particular proxy.

## **ITEM 18** Financial Information

We are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

We are currently not in, nor have been historically in a financially precarious situation or the subject of a bankruptcy petition.