



## ADV Part 2A Brochure

### **The Burney Company**

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**This brochure provides information about The Burney Company's qualifications and business practices. If you have any questions about its contents, please contact us at (866) 928-7639. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities authority.**

**Additional information about The Burney Company is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Burney Company's searchable IARD/CRD number is 106945.**

**The Burney Company is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

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## ITEM 2 – MATERIAL CHANGES

The Burney Company's Brochure (ADV Part 2A) has been updated with the following material changes since our last annual update in March 2025.

On February 5, 2026, we launched a second actively managed Exchange-Traded Fund (ETF), the Burney U.S. Equity Select ETF (BRES), which features our proprietary stock selection process and a version of our Size and Style Responsive (SSR) US Equity Strategy. BRES is officially listed on the Nasdaq Stock Market.

The Burney Company acts as a sub-advisor to BRES, charging a management fee of 0.79% on ETF assets. These ETF fees are separate from, but credited toward, our client management (advisory) fees. If the advisory fee exceeds the ETF fee, the client pays the difference as an advisory fee. If the ETF fee is equal to or higher than the advisory fee, no additional advisory fee is charged for ETF assets. For example, with a Burney advisory fee of 1%, the 0.79% ETF fee reduces the net advisory fee to 0.21%.

You might be asked to invest in BRES. It is important to thoroughly review the Fund's investment objectives, risks, fees, and expenses before making any investment. This information is available in the Fund's prospectus, which can be found at <https://burneyetfs.com> or by calling +1.215.882.9983. Additionally, individuals affiliated with our firm may also invest in BRES.

A potential conflict of interest exists because we might favor our ETF over similar investments due to its management fee. To address this, we only recommend the ETF if it aligns with your objectives and goals.

Additionally, we have made routine updates throughout the Brochure to improve and clarify the descriptions of our advisory business and related practices and procedures. We believe these changes are not material.

To get a copy of The Burney Company Wealth Management Brochure (ADV Part 2A) or Privacy Policy, visit our website at [www.burneywealth.com](http://www.burneywealth.com) or contact your portfolio manager to request a copy by mail. Portfolio managers also provide copies of their individual brochure supplements, which include information about the financial advisor and their staff.



**ITEM 3 – TABLE OF CONTENTS**

CONTENTS

ITEM 2 – MATERIAL CHANGES ..... 2

ITEM 3 - Table of Contents ..... 3

ITEM 4 – ADVISORY BUSINESS ..... 3

    A. General Description of Advisory Firm..... 5

    B. Investment Advisory Services ..... 5

    C. Availability of Tailored Services for Clients ..... 7

    D. Wrap Fee Programs ..... 7

    E. Managed Assets ..... 7

ITEM 5 - FEES AND COMPENSATION ..... 8

    A. Fees and Compensation..... 8

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT ..... 9

    A. Performance-Based Fees ..... 9

    B. Side-By-Side Management..... 9

ITEM 7 –TYPES OF CLIENTS ..... 9

    A. Clients and Minimum Account Requirements..... 9

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS ..... 10

    A. Methods of Analysis and Investment Strategies ..... 10

    B. Risks of Investment Strategies ..... 11

    C. Risks Involved with Particular Securities ..... 13

ITEM 9 – DISCIPLINARY INFORMATION ..... 14

    A. Disciplinary Events ..... 14

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS ..... 14

    A. Broker-Dealer Affiliations ..... 14

    B. Other Financial Industry Affiliations ..... 14



ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	15
A. Code of Ethics .....	15
B. Securities in Which the Adviser or Related Person has a Material Financial Interest.....	15
C. Portfolio Managers Investing in Securities that They Recommend to Clients .....	15
D. Conflicts of Interest .....	16
ITEM 12 – BROKERAGE PRACTICES .....	17
A. Factors in Selecting and Recommending Broker-Dealers for Client Transactions .....	17
B. Aggregation of Purchase and Sale of Securities .....	18
ITEM 13 – REVIEW OF ACCOUNTS .....	18
A. Frequency and Nature of Client Account Reviews .....	18
B. Factors to Prompt Review of Client Accounts Other Than Periodic Review .....	18
C. Client Reports - Content and Frequency.....	18
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION .....	18
A. Economic Benefits and Conflicts of Interest for Providing Services to Non-Clients.....	18
B. Arrangement and Compensation of Non-Supervised Persons for Client Referrals.....	19
ITEM 15 - CUSTODY.....	19
A. Custody of Accounts and Statements from Other Qualified Custodians .....	19
ITEM 16 – INVESTMENT DISCRETION .....	19
A. Discretionary Authority .....	19
ITEM 17 – VOTING CLIENT SECURITIES .....	20
A. Policies and Procedures on Voting Client Securities .....	20
ITEM 18 – FINANCIAL INFORMATION .....	21
A. Financial Impairment Likely to Impair the Meeting of Contractual Commitments.....	21

## **ITEM 4 – ADVISORY BUSINESS**

### **A. General Description of Advisory Firm**

The Burney Company is an SEC-registered investment adviser located in Reston, Virginia, with over 50 years of experience helping clients with their financial needs and retirement plans. The company offers comprehensive investment management and financial planning services tailored to each client's individual needs. We aim to maximize long-term returns using proprietary fundamental and quantitative techniques, along with equity research tools. Committed to acting as a fiduciary, none of our advisors earn commissions or fees based on selling specific products. Our services are provided on a fee basis, calculated as a percentage of assets under management.

John C. Burney, a retired Brig. General, founded the Burney Company in 1974, pioneering work in this field. We have advisors nationwide and are licensed to do business in every state. The company's main owners are Lowell Pratt, Bill Stewart, Martin Walsh, Alex Shen, Richard Bauchspies, and Tom Hunt.

The following paragraphs describe our advisory services, fees, and how we customize them to meet your financial needs and investment goals. In this Brochure, the words “Adviser” and “We” refer to The Burney Company.

### **B. Investment Advisory Services**

#### **Investment Management Services (Burney Investment Management)**

The Burney Company provides discretionary investment advisory services and manages portfolios mainly for individual investors. It also handles portfolios for small businesses, pension and profit-sharing plans, trusts, estates, and charitable organizations. If you use our discretionary portfolio management services, you agree to let our firm decide on the specific securities and the number of shares to buy or sell for your account without your prior approval, before each transaction. Discretionary authority is usually granted through the investment advisory agreement you sign with us and the relevant trading authorization forms. Changes to the portfolio may be made at the advisor's discretion.

The Burney Company specializes in creating and managing portfolios of U.S.-traded equity securities. For investment management clients only, The Burney Company does not exercise discretion regarding asset allocation or offer asset allocation advice. Those services are provided exclusively to financial planning clients who open accounts with Burney Wealth Management (see Financial Planning Services below). However, instead of, or in addition to, the equity portfolio, a client may specify an asset allocation strategy that includes investments in other asset classes deemed appropriate to meet the portfolio's objectives.



### **Tax Preparation and Tax Planning**

We provide tax preparation and planning services to financial planning clients through Burney Tax Advisors, a separate but affiliated company that employs licensed CPAs. Burney Tax Advisors assists with filing federal and state tax returns for individuals, trusts, and businesses.

Burney Tax Advisors licensed CPAs work with clients to answer their tax questions and provide guidance. They help clients navigate transactions and financial changes so they understand any tax consequences or opportunities for future savings.

Clients can choose their own tax professional and are not required to use Burney Tax Advisors to become a firm client. If a client hires Burney Tax Advisors for tax preparation and planning, they will pay a fixed fee based on the scope of services. Burney Wealth Management then receives a portion of that fee. As a result, we have an incentive to recommend Burney Tax Advisors, which could create a potential conflict of interest. However, clients are free to select their own tax professionals, and tax preparation and planning services are offered only to clients who would benefit from them based on their circumstances.

These tax preparation and planning fees are separate from the ongoing financial planning or advisory fees discussed in [Item 5](#). In some cases, the Advisor covers the costs related to your tax preparation and planning through your ongoing financial planning fees.

### **Healthcare Planning**

For financial planning clients interested in customized advice on optimized Healthcare Planning services, including coverage options, medical expense deductions, timelines, and other valuable information beyond health insurance or Medicare, we may utilize the services of Move Health. Move Health advisors will engage clients in a discussion about healthcare planning, using Move Health's software to identify opportunities to mitigate financial risk.

We offer this service free of charge.

### **OCIO/Sub-Advisory Services to Registered Investment Advisors**

The Burney Company provides sub-advisory services to independent third-party investment advisors (the Primary Investment Advisor) for a negotiated fee. As part of these services, we manage assets delegated to us by the Primary Investment Advisor. While we oversee these assets, we do not directly communicate investment recommendations or decisions to Primary Investment Advisor's clients.

Additionally, we provide Outsourced Chief Investment Officer (OCIO) services to Primary Investment Advisors through Burney Advisor Services (BAS) for a negotiated fee. These services utilize Burney's existing research, technology, and investment models. BAS provides OCIO consulting, including investment research, active stock selection and ratings, portfolio allocation, and proprietary investment rotation signals, which Primary Investment Advisors use to manage specific advisory accounts. Sub-advisory services, such as portfolio management, are also available on the client's account under the individual advisor's management.



OCIO services are offered through an agreement between BAS and the Primary Investment Advisor. Under this agreement, the independent advisor determines the scope of services, which can include any of those outlined above.

### **C. Availability of Tailored Services for Clients**

While equities offer the greatest potential for long-term growth, non-equity allocations are used to generate income, add stability, and diversify portfolios for financial planning clients. Potential diversifying assets include: bonds, preferred stocks, real estate investment trusts (REITs), master limited partnerships (MLPs), managed futures, private credit, private equity, and international equities. However, the amount allocated to each depends on factors such as age, risk tolerance, investment goals, income needs, and a person's time horizon.

Clients can limit the securities they can purchase for their accounts. For example, liquor or nuclear power companies may be prohibited from doing so. For investment management clients only, The Burney Company does not have discretion over asset allocation or offer asset allocation advice unless the client requests financial planning services through Burney Wealth Management. However, Burney will execute investment strategies involving securities other than equities when authorized by the client.

Clients who choose a 100% equity allocation will prioritize capital appreciation and/or total return as their main investment goal and demonstrate a risk tolerance sufficient to withstand the volatility inherent in a portfolio composed solely of equity securities.

Our Customized Portfolios, Model Portfolios, and the Burney Master Portfolio combine a strategic perspective on Size and Style with Burney's established stock selection technique. The Master Portfolio provides a classic value-oriented approach, whereas Customized and Model Portfolios are designed to meet each client's unique requirements.

### **D. Wrap Fee Programs**

The Burney Company is not involved in "wrap fee" arrangements.

### **E. Managed Assets**

As of December 31, 2025, The Burney Company's total discretionary assets under management were approximately \$3.588 billion. Each Portfolio Manager manages his/her own accounts. There are no non-discretionary assets.



## **ITEM 5 – FEES AND COMPENSATION**

### **A. Fees and Compensation**

Burney Company's annual rates, billed and payable, quarterly in arrears, are:

Account value to \$500,000.....1.1%  
On additional value over \$500,000.....0.9%

Minimum fee of \$1500

Management fees are calculated based on the market value of assets under management at the end of each quarter. Fees are negotiable, and some clients have customized billing arrangements based on their specific accounts and services. Fees are due after each quarter during which services are provided and will be deducted from the client's account(s).

If the portfolio management agreement is signed on a date other than the first day of the calendar quarter, our fees will be calculated on a pro-rata basis. This means the advisory fee is proportional to the number of days you are a client during that quarter. Fees can be adjusted based on contributions and distributions within the quarter.

The client's assets will be held with a brokerage chosen by the client, often based on the Adviser's recommendation. Each broker may charge fees for trades. All transactions for a given client are completed through the broker the client selects.

Clients who choose a broker not recommended by us could pay higher commissions than those who select one of our recommended brokers. Please see the section on "Brokerage Practices" [\(Item 12\)](#) for more details.

Historically, Burney's SSR equity strategies were offered as separately managed accounts. Now, Burney's equity strategies are available as ETFs through the Burney US Factor Rotation ETF (BRNY), which was listed on the Nasdaq Stock Exchange on October 7, 2022, and the BRES ETF, listed on the Nasdaq Stock Exchange on February 5, 2026. Your account may be invested in BRNY or BRES.

The Burney Company acts as the sub-advisor to BRES and BRNY, charging a management fee of 0.79% on ETF assets. These ETF fees are separate from our client management (advisory) fees but are credited against those fees. If the advisory fee exceeds the ETF fee, the difference can be billed to the client as an advisory fee. Conversely, if the ETF fee is equal to or higher than the advisory fee, no additional advisory fee will be charged on ETF assets. For example, with a Burney advisory fee of 1%, the 0.79% ETF fee offsets it, resulting in a net advisory fee of 0.21%.



For clients using Burney Tax Advisor's services, fees are paid according to the agreement made at the start of the engagement and are separate from the advisory fee. Burney Wealth Management receives a portion of the fees generated by Burney Tax Advisors.

The client can end services at any time by providing written notice.

If a client's Portfolio Manager retires or becomes incapacitated, the client, with their approval, will be assigned to another Portfolio Manager. In such cases, there will be no change in fees or account management. Fees will be billed by and paid to the new Portfolio Manager at the end of the current quarter.

If a client's Portfolio Manager retires or becomes incapacitated, the client, upon his approval, will be assigned to another Portfolio Manager. In such a case, there would be no change in fees or account management. Fees will be billed by and paid to the new Portfolio Manager at the end of the current quarter.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### **A. Performance-Based Fees**

The Burney Company does not charge performance-based fees. The fee structure is discussed in more detail in [Item 5](#).

### **B. Side-By-Side Management**

The Burney Company does not practice side-by-side management.

## **ITEM 7 –TYPES OF CLIENTS**

### **A. Clients and Minimum Account Requirements**

The Burney Company mostly provides investment advice to individuals; however, we also service the portfolios of small businesses, pension and profit-sharing plans, trusts, estates, and charitable organizations.

The standard minimum account size for the Burney Company is \$750,000. However, portfolio managers can accept portfolios of lesser value at their discretion.



## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

### **A. Methods of Analysis and Investment Strategies**

#### **Overview**

Using proprietary methods developed over the past fifty years, The Burney Company assesses a factor library with over 1,000 descriptors related to a company's growth, valuation, profitability, safety, and technical features. Factors associated with excess returns are incorporated into analytical models to rate stocks based on their potential to produce those returns.

#### **Equity Portfolios**

The Burney Company currently employs the following US Equity Portfolio Models: (1) The Size and Style (SSR) Responsive Models, which adjust allocations based on preferred size and style. This is our flagship strategy. We offer two versions to allow advisors to customize for each client's situation. (2) The SSR Enhanced Yield Model is our flagship portfolio framework with a minimum 3% yield requirement at the portfolio level. (3) The SSR High Turnover Model, our primary strategy, features higher turnover in retirement accounts where capital gains are not a concern. (4) The SSR 130/30 Long-Short Model, which is highly tax-efficient and has the potential for excess returns through short exposure and gross leverage, while remaining fully net long the market. This strategy uses either of our ETFs, BRNY and/or BRES, for the 130% long exposure and individual securities for the 30% short exposure.

#### **The Burney Master Portfolio**

The Master Portfolio combines a traditional investing approach with an emphasis on solid, undervalued stocks. Since its founding at The Burney Company in October 1974, it has demonstrated long-term success through the consistent application of Burney's proprietary analytical techniques. We offer clients the option to have their portfolios managed to replicate the Master Portfolio.

#### **Customized Portfolios**

Customized Portfolios can be developed using The Burney Company's proprietary stock selection process. Our Customized Portfolios, model portfolios, and the Burney Master Portfolio combine a strategic outlook on SSR with Burney's validated stock selection method. The Master Portfolio offers a traditional, value-oriented approach, while a Customized or Model Portfolio is more flexible and tailored to each client's specific needs.

#### **Margin Transactions**

Margin transactions are securities transactions in which an investor borrows money to purchase a security, with the security serving as collateral for the loan.

#### **Short Sales**

A Portfolio Manager may "sell short" a specific security within a client's portfolio. A "short sale" involves borrowing a security from a brokerage firm, selling it immediately, and buying it back later at a lower price. Therefore, a short seller hopes the stock's price will decline soon, using market drops to their



advantage. The short seller profits when stock prices fall and incurs losses when prices rise. The SEC imposes strict regulations on short selling. Short sales are only to be conducted in conjunction with the 130-30 Long-Short strategy, described next, unless a client specifically requests otherwise.

### **Long-Short Strategies**

Long-short investment strategies allow investors to more effectively express their bullish and bearish views on individual stocks by shorting those they believe will underperform and buying those they expect to outperform. These strategies decrease overall market exposure because short positions counterbalance the exposure from long positions.

The Burney Company offers a Portfolio Model that uses a 130-30 Long-Short Strategy, where margin is used to buy stocks worth 130% of the portfolio's value while shorting 30% of another set of stocks. This is one of the most common ways to implement the Long-Short Strategy. This approach maintains 100% net exposure to the stock market while allowing for a more aggressive expression of bullish and bearish views on individual stocks. The strategy aims to generate market-like returns, with additional gains coming from the difference between the long and short positions.

The 130% long position is fully invested in the BRNY and/or BRES ETFs. While The Burney Company does not charge a management fee directly from the accounts invested in this strategy, the ETF incurs a 0.79% management fee, which we receive. The 130% long-side allocation amplifies this fee. Margin costs are also incurred to maintain this strategy's excess long position (130%).

## **B. Risks of Investment Strategies**

### **Equity Portfolios**

The Burney Company primarily manages equity portfolios affected by stock market fluctuations. All investments in stocks and other securities carry a high risk of volatility, which can cause sudden declines in market prices and significant losses.

These risks stem from various factors beyond the advisor's control, such as changing market sentiment, shifts in industry conditions, competition, technological advances, and fluctuations in inflation, exchange rates, or interest rates. Additional factors include evolving domestic or international economic or political events, changes in tax laws and government regulations, and adjustments in trade, fiscal, monetary, or exchange policies by governments or their agencies, including central banks. These changes, along with other unpredictable and unforeseen events, make it difficult to forecast future market movements. Unexpected market volatility or liquidity issues could hinder the Strategy's ability to meet its objectives and lead to losses.

The company actively manages portfolios, which involves the risk of tracking errors or deviations in the stock market as we adjust portfolios based on Size and Style (SSR). Regarding all Burney portfolios, past performance does not guarantee future results.



Regarding the Master Portfolio, there is no guarantee that the performance of personally tailored portfolios will match the Master Portfolio's performance. Equity investments carry the risk of loss. Portfolios with substantial fixed-income and money-market holdings have historically underperformed the Master. Additionally, clients with personally managed portfolios do not hold the same stocks as those in the Master since some Master stocks may not align with their investment goals and risk tolerance.

### **Margin Transactions**

If the value of the shares drops enough, the investor will need to deposit more cash into the account or sell some of the stock to meet the account's margin requirements. This is called a "margin call." An investor's overall risk includes the amount of money invested plus any borrowed funds. There are also extra costs involved with using margin in the 130-30 strategy.

### **Short Sales**

Short selling involves significant risks. Due to its asymmetric return potential, investors should exercise caution before participating. The maximum profit from a short sale is capped at 100% of the investment, but there is no limit to possible losses, as the stock can, in theory, continue rising indefinitely. Therefore, short selling has the potential for unlimited losses.

A short seller must also pay dividends on the borrowed securities. If the company declares a large dividend or issues bonus shares, the short seller is responsible for paying that amount to the lender. Such corporate actions by the company whose securities have been sold short can negatively affect the investment. The brokerage firm can "call away" any borrowed securities at any time. If shares of a short investment are called away, the short seller will be forced to buy back shares to cover the short position at the current market price. If the security price is above the initial short sale price, losses will be incurred even if the short seller prefers to hold onto the investment.

Margin interest can be a significant expense. Since short sales can only be made in margin accounts, the interest payable on short trades can be substantial, especially if short positions are maintained over a long period.

Shares that are difficult to borrow—due to factors like high short interest, limited float, or other reasons—incur "hard-to-borrow" fees. These fees are expressed as an annual rate, ranging from a small percentage to over 100% of the short trade's value. The rate can vary daily, making the exact fee unpredictable in advance and potentially significant. Short sales are only executed separately upon the client's request. Burney Company policy states that once a stock is sold short, it cannot be repurchased later.

### **Long-Short Strategies (130/30)**

These strategies carry an unlimited risk of loss from short selling. Unlike long positions, where losses are limited to the initial investment, the price of a shorted stock can rise indefinitely, potentially causing rapid, unlimited losses. The Burney Company employs various measures to reduce this risk, but losses can still occur. Additionally, long-short strategies use margin to increase exposure, which amplifies both potential gains and losses. A drop in stock price can trigger margin calls.



There is also a risk of tracking errors caused by the performance of our stock selection model. Success depends on the portfolio manager's ability to pick winning longs and losing shorts. Poor timing or incorrect analysis can lead to losses on either side. Additionally, in volatile markets, the assumed hedge between long and short positions might break down, making the portfolio vulnerable to broad market declines. Some short positions may become difficult to borrow or cover, especially during periods of volatility, which complicates unwinding.

Furthermore, this strategy involves costs and tax consequences. The portfolio has extra expenses, including margin interest charges as specified in the margin agreement. Moreover, closing positions can result in significant short-term capital gains tax liabilities that may not be fully offset.

### **C. Risks Involved with Particular Securities**

All investments in securities and other financial instruments entail significant volatility risk, which can lead to sharp declines in market prices and substantial losses. These risks arise from various factors outside the Sub-advisor's control, such as: shifting market sentiment; changes in industry conditions, competition, and technology; fluctuations in inflation, exchange rates, or interest rates; evolving domestic or international economic or political events; adjustments in tax laws and government regulations; and modifications in trade, fiscal, monetary, or exchange policies enacted by governments or their agencies (including central banks). Many of these factors are unpredictable, making it difficult or impossible to forecast future market movements. Sudden market volatility or a lack of liquidity could prevent the Strategy from achieving its objectives and lead to losses.

#### **Money Market Funds**

A money market fund is technically a security. The fund managers aim to keep the share price steady at \$1 per share. However, the share price is not guaranteed to remain at \$ 1 per share. You could lose some or all of your principal if the share price drops. The SEC states, "While investor losses in money market funds have been rare, they are possible." In exchange for this risk, you should earn a higher return on your cash than you would from a Federal Deposit Insurance Corporation (FDIC)-insured savings account (money market funds are not FDIC-insured). Additionally, money market fund rates are variable. In other words, you don't know how much you will earn from your investment next month. The rate could increase or decrease. If it increases, that may lead to a positive outcome. However, if it declines and you earn less than expected, you might need more cash.

The final risk you are taking with money market funds is inflation. Because money market funds are considered safer than other investments, such as stocks, their long-term average returns tend to be lower than those of riskier investments. Over extended periods of time, inflation can eat away at your returns.

## **Mutual Funds and Exchange-Traded Funds**

Mutual funds and ETFs are professionally managed pooled investment vehicles that gather money from multiple investors and may invest in stocks, bonds, short-term money market instruments, other mutual funds, securities, or a combination of these. The fund has a manager who executes trades to meet the fund's investment goals. While mutual funds and ETFs usually provide diversification, risks can increase significantly if the fund heavily focuses on a specific market sector, primarily invests in small-cap or speculative companies, extensively uses leverage (i.e., borrows money), or concentrates on a single type of security (such as equities) instead of spreading investments across different securities.

ETFs differ from mutual funds because they can be bought and sold throughout the day, like stocks, and their prices can fluctuate. The management fees of these funds can reduce the returns for both mutual funds and ETFs. Additionally, while some mutual funds are "no load" and do not charge a fee to buy or sell, others charge loads, which can decrease returns. Mutual funds can also be classified as "closed-end" or "open-end." So-called "open-end" mutual funds keep accepting new investors indefinitely, while "closed-end" funds have a fixed number of shares, which may limit their ability to attract new investors.

ETFs may face tracking error risks. For example, the ETF investment adviser might not be able to ensure that the ETF's performance exactly matches its underlying index or benchmark, which could negatively impact the ETF's overall performance. Additionally, an ETF might not hold every security in its underlying Index, or its weights may differ from the index's.

## **ITEM 9 – DISCIPLINARY INFORMATION**

### **A. Disciplinary Events**

The Burney Company has no material legal or disciplinary events to report.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **A. Broker-Dealer Affiliations**

The Burney Company has no employees who are registered representatives of a broker-dealer.

### **B. Other Financial Industry Affiliations**

The Burney Company serves as a sub-advisor to Certuity, LLC. Certuity allocates assets to our firm for investment in our equity strategies. We manage these assets in the same manner as all of our accounts. The Burney Company receives our standard advisory fee on these assets.

There may be a conflict of interest, with a potential bias toward these accounts over others. However, this is minimized because all accounts investing in the same portfolio model are traded simultaneously. The fee charged to Certuity accounts is the same as that for all other accounts.



The Burney Company serves as the sub-advisor for the BRNY and BRES ETFs. You may be asked to invest in these ETFs. The ETF fees are separate from and offset our advisory fees, as explained above. Please review the prospectuses for a full description of the fees, investment objectives, risks, and other important details regarding these ETFs. Employees of Burney Company might also invest in ETFs. [See Item 5.](#)

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **A. Code of Ethics**

The Burney Company believes that employees must uphold its strong reputation for integrity, honesty, trustworthiness, and professionalism, which has been part of the company since its founding in 1974. The Burney Company emphasizes the importance of strictly adhering to the highest moral standards and values in all aspects of our investment advisory services. The client's interests are always the top priority; this duty is inherent in fulfilling our fiduciary responsibilities. We will provide a copy of our Code of Ethics upon request to any client or prospective client.

### **B. Securities in Which the Adviser or Related Person has a Material Financial Interest**

We act as a sub-advisor for the BRNY and BRES ETFs. You may be asked to invest in these funds. The ETF fees are separate from and offset our advisory fees. Please review the prospectuses for detailed information on fees, investment goals, risks, and other key details. Employees of Burney Company might also invest in these ETFs. A potential conflict of interest exists because we might be inclined to recommend our ETF over similar investments due to its management fee.

To address this, we recommend the ETF only if it aligns with your objectives and goals.

### **C. Portfolio Managers Investing in Securities that They Recommend to Clients**

Per Burney Company policy, the company's portfolio managers and investment advisors may buy or sell the same securities they buy or sell for their clients, but only after the respective customer trades have been executed. The Burney Company monitors employee transactions to ensure adherence to this personal trading policy.

There will be a 7-day blackout period for all employees managing our BRNY and BRES ETFs. During this time, these employees cannot trade securities identified for or held by the ETF in their personal accounts. The compliance team monitors adherence to this policy.

The previous restrictions on personal transactions are outlined in Burney Company's Compliance Manual and Code of Ethics.



## D. Conflicts of Interest

The more assets, including cash, you have in your advisory account, the more you will pay us. Therefore, we encourage you to add more funds to increase the fees we earn.

The Burney Company's portfolio managers might use the 130-30 Long-Short investment strategy for clients, as described in [Items 8.A. and 8.B.](#) With this Long-Short approach, a potential conflict of interest can arise if one client asks a portfolio manager to short a stock while another client holds a long position in the same stock.

There is a potential conflict of interest because The Burney Company acts as a sub-advisor for the BRNY and BRES ETFs. First, there is concern that trading in these ETFs might take precedence over trading in Separately Managed Accounts that use the same strategy. This is addressed by rotating the trading of the ETFs and the Separately Managed Accounts to prevent one from systematically taking priority over the other. Second, there is a risk that Burney could favor certain investment strategies in the ETFs over those in separately managed accounts.

Since managing the ETFs follows the same core strategy as our separately managed SSR accounts, the risks of buying these ETFs are the same as those of buying equities. Although we do not take a management fee directly from the accounts invested in this strategy, our ETFs charge a 0.79% management fee, which we collect.

Regarding the 130-30 Long-Short Strategy, this creates another potential conflict because the 130% long-side allocation increases the fee.

Clients utilizing financial planning services are not charged a separate fee for those services. Instead, they pay a higher advisory fee based on assets under management than clients who only receive investment management services. These fees are outlined below. See Item 5. However, an investment management client will not receive financial planning services and asset allocation management. Financial planning services are recommended for clients who are interested in and can benefit from them. Since our compensation depends on the services you choose, we may have a financial interest in recommending one service over another. This could create a conflict of interest.

We address this by making recommendations solely based on your needs and goals, regardless of the fee structure. You are not obliged to use us for any service and can select the option that best fits your situation.

Finally, there is a potential conflict of interest because The Burney Company might be motivated to recommend BRNY and BRES to clients over similar investments due to the ETFs' management fee. To address this, we suggest ETFs only if they better match your objectives and goals than other options.



## **ITEM 12 – BROKERAGE PRACTICES**

### **A. Factors in Selecting and Recommending Broker-Dealers for Client Transactions**

#### **Research and Other Soft Dollar Benefits**

Unless there is an existing brokerage relationship, The Burney Company will assist the client in establishing connections with brokerage firms affiliated with the Adviser, such as Charles Schwab, Goldman Sachs, Interactive Brokers, Pershing, and Altruist (Custodians). The Burney Company will recommend options based on the client's needs and the Custodian's services, including financial stability, reputation, accuracy, responsiveness in executing transactions, pricing, research, and other services. Other factors considered when recommending a Custodian include transaction fees, consolidated reporting, the potential to reduce or eliminate custody fees, access to real-time order-matching systems, electronic trade downloads, portfolio management software, advanced technologies that help us better serve our clients, and access to dedicated service and support teams.

The Burney Company gains certain advantages that it wouldn't otherwise have if it didn't share the Custodians' recommendations with its clients. Although there is no direct relationship or fee-sharing agreement between the Custodians and the Burney Company, the company still benefits financially from these ties. These advantages include access to a dedicated trading desk and a specialized service team, including an account services manager focused on Burney Company's client accounts. These benefits rely on the company maintaining a long-term, strategic partnership with the Custodians rather than on the volume or number of transactions directed to them.

All transactions for a specific client are conducted through the broker the client chooses. Clients who select a broker not recommended by Burney Company may face higher commissions and fees compared to those who choose one of our recommended brokers.

When a broker refers a client, brokerage fees and commissions are negotiated directly between the broker and the client. All transactions for the client are processed through the referring broker, which could result in the client paying higher fees and commissions than other Burney clients.

As part of its fiduciary duties, The Burney Company always prioritizes clients' interests. However, clients should understand that receiving economic benefits from the Custodian can itself create a potential conflict of interest and may indirectly influence the Adviser's choice of firms for custody and brokerage services.

Similarly, The Burney Company executes trades for its clients' accounts in accordance with its duty to seek "best execution" and other fiduciary responsibilities. When seeking the best execution, the most important factor is not the lowest possible cost but whether the transaction offers the highest execution quality, considering the full range of a broker's services and the associated fees.



This Burney Company agrees to adhere to the applicable requirements of the Advisers Act Rule 204-3 (the "Brochure Rule") and all relevant state regulations.

## **B. Aggregation of Purchase and Sale of Securities**

Orders to buy and sell securities are sometimes combined into batches. This process does not influence our broker selection advice; all clients can participate in pooled trades, and these trades do not affect commissions.

When client account orders are combined, and fewer than the total shares in the block trade are bought or sold at the specified price, allocations are randomly distributed among clients. No client is favored over another.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **A. Frequency and Nature of Client Account Reviews**

The focus is on reviewing clients' stock holdings. The company's analytical team analyzes stocks monthly. The main purpose of the reviews is to compare market prices with values determined by our analysis. These analyses are provided to The Burney Company's portfolio managers and used by them to structure clients' portfolios in accordance with company policies and clients' instructions. Portfolio managers formally review each account quarterly when a report is prepared for each client, and performance results are calculated.

### **B. Factors to Prompt Review of Client Accounts Other Than Periodic Review**

Reviews are conducted on an ad hoc basis upon a client's request.

### **C. Client Reports - Content and Frequency**

Custodians managing each account provide a monthly statement of account activity and balances. The portfolio manager provides the client with a quarterly written report detailing the management fee, the value of the assets on which the fee is based, and the quarterly fee schedule.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **A. Economic Benefits and Conflicts of Interest for Providing Services to Non-Clients**

The Adviser may hire independent solicitors to refer clients. The use of solicitors is strictly regulated by federal and state law. The Adviser's policy is to fully comply with Rule 206(4)-1 requirements under the Investment Advisers Act of 1940, as amended, and any similar applicable state rules.



## **B. Arrangement and Compensation of Non-Supervised Persons for Client Referrals**

The Burney Company continues to pay Charles Schwab a fee for each successful client referral made previously under a now-inactive referral agreement. This fee is a percentage, up to 25%, of the advisory fee the client pays to the Adviser.

As part of its fiduciary duties to clients, the Adviser consistently strives to prioritize their interests. However, clients should be aware that when the Adviser or its related persons receive economic benefits, it could pose a potential conflict of interest.

### **ITEM 15 - CUSTODY**

#### **A. Custody of Accounts and Statements from Other Qualified Custodians**

The Burney Company holds client funds by deducting management fees directly from client accounts at the Custodian brokerage firm. Clients will receive account statements from the broker-dealer, bank, or other qualified custodian and should review them carefully. Additionally, clients should receive a quarterly statement from their Burney Company portfolio manager. We encourage all clients to compare the Burney Company account statement listing their holdings with those of the brokerage statements. If you have questions about your account statement, contact your portfolio manager.

The Burney Company is also considered to hold custody of client funds when a client authorizes their advisor to transfer funds to a third party through a Standing Letter of Authorization (SLOA). The transfer can include third-party checks, journals, ACHs, and/or wires. We are required to keep records of and report all client SLOAs.

### **ITEM 16 – INVESTMENT DISCRETION**

#### **A. Discretionary Authority**

The Burney Company's portfolio managers/advisors receive trading authorization from each new client at the time of account opening, granting them discretionary authority to manage securities. The client specifies the total amount to be invested in securities. Clients can also set restrictions on the securities they are willing to purchase for their own accounts. For instance, they may prohibit investments in liquor or nuclear power companies.

We may use a third party (Pontera) to help manage held-away assets, such as defined contribution plan participant accounts (e.g., 401(k)s, 403(b)s, and 529s), with discretion. The platform allows your advisor to view, manage, and trade any held-away assets, giving you comprehensive portfolio management. It also helps us avoid being considered to have custody of client funds because we do not have direct access to client login credentials to execute trades. We are not affiliated with the platform and receive no compensation for using it. A link will be provided to the client to connect one or more accounts to



the platform. Once a client account is connected, your Burney advisor will review the current account allocations. When necessary, your advisor will rebalance the account based on your investment goals and risk tolerance, and any changes in allocations will reflect current economic and market trends. Client accounts will be reviewed at least quarterly, and allocation adjustments will be made as needed.

Burney Company will pay Pontera 0.25% of assets on the platform, which Burney will deduct from the management fee the client pays to Burney. The client's fee will remain the same.

## **ITEM 17 – VOTING CLIENT SECURITIES**

### **A. Policies and Procedures on Voting Client Securities**

The Burney Company has proxy authority to vote securities for a limited number of existing client accounts. It will not accept authority to vote securities on new or existing accounts that currently lack voting authority unless the client explicitly provides written instructions to do so. There are no conflicts of interest between our clients and The Burney Company, including those of our affiliates, directors, officers, and employees. Our fiduciary duty is always to prioritize our clients' best interests.

#### **Limitations on Our Responsibilities:**

##### **Limited Value**

We may refrain from voting a client's proxy if we determine that the impact on the client's economic interests or the portfolio's value is indeterminate or insignificant.

##### **Unjustifiable Costs**

We may decide not to vote on a client proxy because of cost considerations, such as expenses related to voting proxies of non-U.S. securities. In our fiduciary role, we assess the costs and benefits of voting on proxy proposals involving foreign securities and determine whether voting on a specific proposal is appropriate. Our decision takes into account the potential impact of our clients' vote, whether cast directly or through other votes, on the value of our clients' investments, and whether this potential impact justifies the cost of voting.

A client for whom we hold proxy voting authority may, upon written request, request information about how we vote their securities and details of our voting policies, procedures, and other related information.

Clients for whom The Burney Company does not vote securities will receive their proxies directly from their custodian. If they have questions about a particular solicitation, they can contact their portfolio manager in writing, by email, or by phone.



## **ITEM 18 – FINANCIAL INFORMATION**

### **A. Financial Impairment Likely to Impair the Meeting of Contractual Commitments**

The Burney Company has no financial impairment that precludes it from meeting its contractual commitments to clients.

