

Client Relationship Summary (Form CRS) – ADV Part 3

Revised March 1, 2025

Balefire, LLC (“Balefire”) is registered as an investment advisor with the Securities and Exchange Commission (SEC). There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some questions included in the sections below as suggested Conversation Starters.

There are free and simple tools available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs) which also provides educational materials about investment advisers, broker-dealers, and investing.

What investment services and advice can you provide me?

Balefire provides investment advisory service to retail and institutional clients including comprehensive financial planning and discretionary portfolio management. Balefire offers a wide range of advisory services to individual investors, high-net-worth individuals, pension and profit-sharing plans, charitable organizations, trusts, businesses, partnerships, corporations, and other similar entities. Balefire provides comprehensive asset management and financial planning services to its clients including personalized on-going money management services, financial planning, and consultative services. Balefire tailors its advisory services to the individual needs of its clients by following a consistent process of goal setting, discovery, risk assessment, financial planning, portfolio development, asset management, and monitoring.

The discretionary authority granted to Balefire by our retail investors allows us, when it is deemed appropriate and in the client’s best interest, but without prior consultation with or consent from the client, to buy, sell, and exchange stocks, bonds, mutual funds, exchange-traded funds, annuities, REITs, private placements, and other alternative investments. Balefire also uses its discretionary authority to select and retain third-party investment managers and their strategies, and to transfer funds between or terminate third-party investment managers it selects for its clients. Lastly, our discretionary authority allows us to collect advisory fees directly from retail investor accounts, however Balefire does not take custody of any client funds or securities.

Balefire monitors and reviews each account on a periodic basis and provides continuous and regular supervision and/or management services to each client as a part of its standard services. Balefire will contact each client not less than annually to review their account(s) and to determine whether there have been any changes in the client’s financial situation or investment objectives, any material changes to ownership interest or control of the account, or if the client wishes to impose or modify any reasonable restrictions on the management of the account.

While our services are best tailored to households within excess of \$500,000 in investable capital, Balefire does not impose an account minimum for its retail investors.

For additional information on our relationships and services, please see our Disclosure Brochure, and specifically Items 4 and 7 of our Form ADV Part 2A available on our website or visit the [BrokerCheck](https://www.brokercheck.com) website and enter our CRD# 168733.

Conversation Starters – Questions to Ask Us

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

What fees will I pay?

Retail clients pay us fees for both financial planning and portfolio management. Financial planning fees are based on the scope and complexity of the services provided and will range from \$500 to \$250,000 or more and can be collected as hourly fees or fixed fees. Portfolio Management fees are calculated as a tiered percentage of assets under management (AUM) and are collected on a quarterly basis (“asset-based fees”). A conflict of interest exists because the more assets that are in a retail investors account, the more that retail investor will pay in fees. Balefire has an incentive to encourage the retail to increase or retain the assets in his or her account.

In addition to our advisory fees, retail clients will also pay for third-party investment managers fees, the Balefire platform fee, custody fees, administrative fees, fees charged by mutual funds and exchange-traded funds, and trading costs.

You will pay fees and costs whether you make money 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 cost you are paying.

For additional information on our fees and costs, please see our Disclosure Brochure, and specifically Item 5 parts A, B, C, & D. Our ADV Part 2A Disclosure Brochure is available on our website or visit the [BrokerCheck](#) website and enter our CRD# 168733.

Conversation Starters – Questions to Ask Us

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

We must abide by certain laws and regulations in our interactions with you. *When we act as your investment adviser*, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means.

Some of the employees, owners, and advisors of Balefire are also registered with Lionstreet Financial Services (“LSF”), a FINRA Member firm, to sell securities, or act as licensed insurance agents to offer asset protection contracts. These services are brokerage services and not advisory services. Brokerage services and advisory services are different, and the fees we, and LSF, charge for those services are different. It is important that you understand the differences. In particular, brokerage and insurance services result in transactional commissions paid to Balefire. A conflict of interest exists when our fee-based financial planning services result in the recommendation of brokerage services and investments or insurance for which we receive transactional compensation and commissions.

To learn more about our potential conflicts of interest, how they may affect you, and what we do to manage and mitigate conflicts, please consult with your financial professional or we encourage you to review our ADV Part 2A on the [SEC Website](#) by entering our CRD# 168733.

Conversation Starters – Questions to Ask Us

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

What are the most common conflicts of interest? How do you manage those conflicts?

How do your financial professionals make money?

Our financial professionals are employees, and in many cases, owners of Balefire. Employees are paid an annual salary and have the ability to earn bonus compensation based on our overall growth initiatives, by attaining professional achievement goals, or by introducing prospective clients and new opportunities to Balefire. In addition to salaries and bonuses, owners also receive partnership distributions. Employee compensation is not based on the amount of client assets the employee services, the products our clients invest in, or the sale of any proprietary products.

Do you or your Financial Professionals have legal or disciplinary history?

Yes. Please visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research Balefire or our financial professionals.

Conversation Starters – Questions to Ask Us

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

Additional Information

You can find additional information about our firm’s advisory services by visiting the [SEC’s public disclosure website](#) and searching for Balefire (CRD# 168733). You may also contact our firm at (972) 361-1001 to request up-to-date information, a free copy of this Client Relationship Summary, or to talk to any one of our owners or investment professionals.

Conversation Starters – Questions to Ask Us

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?

Who can I talk to if I have concerns about how this person is treating me?