



Balefire, LLC

CRD #168733 • SEC File Number 801-78506

(Formerly Fuse Partners, LLC)

FORM ADV PART 2A • DISCLOSURE BROCHURE

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This Disclosure Brochure provides important information about the qualifications and business practices of Balefire, LLC (formerly Fuse Partners, LLC) ("Balefire") that should be considered before becoming a client of Balefire or one of its programs. If you have any questions about the content of this brochure, please contact us at (972) 361-1001 or by email at Compliance@balefirewealth.com. The information in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), by any state securities authority, or any other governmental agency.

Balefire is a registered investment adviser. Registration as an Investment Adviser does not imply a certain level of skill or training. Additional information about Balefire is also available on the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.gov. Balefire's CRD number is 168733.

Item 2: Material Changes

This Balefire Disclosure Brochure dated March 27, 2026, is a substitute for Form ADV Part 2A (“Disclosure Brochure”) and was prepared according to the SEC’s requirements replacing the previous disclosure document posted to the SEC’s website dated March 1, 2025. Balefire provides a copy of its current Disclosure Brochure to all new and prospective clients.

This page will **only discuss specific material changes** that were made to the Disclosure Brochure since the last revision (3/1/2025) and provides clients with a summary of those changes. When there are materials changes, Balefire sends a copy of this updated page to all existing clients via email or US mail.

We will gladly provide any client, or prospective client, with a complete copy of the Disclosure Brochure at any time, without charge. A copy may be requested by calling (972) 361-1001, by visiting our website at www.balefirewealth.com, or by emailing Compliance@balefirewealth.com. Additional information about Balefire is also available on the SEC’s website at www.adviserinfo.sec.gov. The SEC’s website also provides valuable information about Balefire’s management team and each person registered as an investment advisor representative of Balefire. Balefire believes that communication and transparency are the foundation of its relationship with its clients and will continually strive to provide you with complete and accurate information at all times. We encourage you to read this document in its entirety, to discuss any questions you may have with us, and to visit the [SEC’s website](#).

Material Change(s):

There have been no material changes to this Brochure since the last revision.

Future Change(s):

Balefire will amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. A Material Changes letter will be provided to you annually and any time a material change occurs.

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Item 4: Advisory Business

Balefire, LLC (“Balefire”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”), and a limited liability company organized in the State of Texas. It primarily conducts its advisory business under the name Balefire.

The firm was formed in January 2025 upon the merger of Fuse Partners and Navitas Wealth Advisors. Balefire is owned by the Partners of the firm, each a minority shareholder whose ownership ranges from roughly 20% to less than 5%. Balefire is headquartered in Dallas, Texas serving as its central supervisory and management location.

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. Balefire also provides discretionary fiduciary services to qualified retirement plans and pension plans as a codified Investment Manager, as defined by ERISA.

Balefire’s advisory services are described in detail within this Brochure. Clients, prospective clients, and retirement plan trustees are encouraged to have their questions answered regarding Balefire and its services prior to entering into an agreement with Balefire.

Balefire serves as a fiduciary to Clients. As a fiduciary, Balefire upholds a duty of loyalty, fairness and good faith towards each client and seeks to avoid or mitigate potential conflicts of interest. Balefire fiduciary commitment is further described in a Code of Ethics adopted by the firm. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

The services provided by Balefire are broadly categorized as follows:

Discretionary Asset Management

Balefire provides continuous, ongoing, active, and individualized investment management, asset selection, asset allocation, rebalancing, and tax management bundled as comprehensive asset management services. The bundled fee Balefire collects for its services contemplates a broad range of services based on the standards of impartial conduct – that is, providing advice in each client’s best interest, charging reasonable fees based on the scope and complexity of the services provided, and making straightforward statements to each client about its recommendations. In this regard, Balefire should be viewed as a “level-fee” fiduciary whose bundled fees are based on individualized ongoing services.

Balefire provides ongoing discretionary portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Balefire seeks to design investment strategies utilizing the client’s current financial situation to construct a portfolio designed to match the client’s investment goals. Balefire regularly evaluates the current investments of each client with respect to their risk tolerance levels and time horizon.

Under this program, the Client grants limited discretionary authority over their Account(s) to Balefire. This means that when Balefire feels it is appropriate, and without further consultation with the Client, Balefire may buy or sell securities in an attempt to achieve the objectives provided by the Client. The discretionary nature of the Account does not create a custody relationship between Balefire and any client. Each Client retains every ownership right to the assets in their Accounts, including the right to withdraw assets for an Account upon appropriate notice to Balefire.

Based on the information provided by the client, Balefire manages the investments in each Account on the client's behalf. Balefire will supervise, monitor, provide ongoing active management, and direct the investments of the Account with respect to the purchase, sale, or continued holding of securities, subject to any restrictions the client may impose.

Balefire has established an Investment Committee to oversee and assist in the development and monitoring of allocation models and client portfolios. The Investment Committee meets periodically and many of the tactical allocations in client accounts will come from the topics and strategies discussed at those meetings. As such, Clients benefit from a "team-approach" to asset allocation and account rebalancing.

Balefire investment models are overseen by the Investment Committee. Models are constructed, adopted, and monitored by the Investment Committee and Investment Team utilizing third-party modeling, technology, and intellectual property contributions from selected professional resources we engage. An allocation between models is recommended to each client based on the unique investment goals, financial situation, and investment need of the client. Changes to the composition and focus of each model are made without further consultation or approval of any client.

While Balefire generally utilizes investment companies (mutual funds), exchange-traded funds (ETF's), cash equivalents, alternatives, private market securities, stocks, and bonds in its client accounts, it does not limit the types of investments it might consider managing for a client. Balefire believes that all asset classes – equities, fixed income, alternatives, and cash – are valuable tools in implementing its investment strategies. As such, Fees for services are based on each account's total value including cash and cash equivalents.

Clients who engage Balefire for Discretionary Asset Management services will open a custodial account with a Qualified Custodian, as that term is used in The Investment Advisers Act of 1940 (the Act) and in Investment Adviser Act Release No. 2176. Accounts will only be opened at Qualified Custodians with the signed application of the client, thereby providing notice to each client as to their custodial relationship. Each Qualified Custodian will send each client a statement detailing the balances and activities in their Account over the previous quarter, including the advisory fees collected by Balefire from the Account during the previous period. Clients will receive Account statements directly from the custodian according to the terms of their custodial contract. Clients are strongly urged to review their account statements and the transaction confirmations they receive directly from their custodian for any inaccuracies. Clients should IMMEDIATELY notify Balefire and their custodian of any suspected inaccuracies.

Balefire will contact each Client at least annually to review their Account(s) and to determine whether there should be any changes to the Client profile and how each Account is being managed. The Client may impose any reasonable restrictions on the management of their Account(s) or modify existing restrictions at any time and with reasonable notice.

Selection of Sub-Advisors

Balefire may recommend that a client engage one or more unaffiliated Sub-Advisor to manage all or a portion of a client's investment portfolio. Each Sub-Advisor has been reviewed, approved, and selected by the Investment Committee. When a client elects to engage a Sub-Advisor, it is the Sub-Advisor who provides discretionary investment management services to the portfolio assets for which the Sub-Advisor is assigned. Balefire is the main point of contact with each Sub-Advisor and the client grants Balefire the authority to negotiate all terms, fees, and services to be provided on the client's behalf. Balefire retains the sole discretionary authority to hire, fire, or replace Sub-Advisors, and to reallocate client portfolio assets between Sub-Advisors, as it sees fit to adapt to change in the market, Sub-Advisor performance, and changes in the client's goals.

Balefire will assist in the development of the initial recommendations of investment strategies to be pursued by each Sub-Advisor and the ongoing care obligation to the client. Balefire will perform initial and ongoing due diligence and oversight of the recommended Sub-Advisor to ensure the Sub-Advisor's strategies and target allocations remain aligned with the client's investment objectives and overall best interests.

Financial Planning Services

Financial Planning Services are available to clients who need comprehensive financial advice, consultation, or analyses typically involving a business opportunity, business sale or acquisition, an existing investment portfolio, investment choices in qualified plans, insurance and asset protection strategies, risk management, retirement projections, business plans, education savings, trust services, retirement planning, estate planning, corporate and small business planning, or a similar financial situation or condition. The Client's investment opportunities and other financial matters are developed through introductory meetings, the Framework Assessment, and Vision & Values discovery work to make recommendations to customized objectives in the areas of Financial, Entrepreneurial, Generational, and Influential planning. Without limitation, Financial Planning Services may include portfolio customization based on the Client's investment objectives and financial situation; business succession; preserving multi-generational capital; asset protection; retirement planning; business planning; liquidity and cash-flow analysis; diversification and concentrated asset reduction; tax planning; philanthropic direction and structure; legacy planning; estate planning; and a broad expanse of other areas of the Client's financial situation and generational needs.

Financial Planning Services are separate and unique from Discretionary Asset Management services. Some clients will engage Balefire for both services contemporaneously and pay a separate fee for each.

Financial Planning Services generally include data gathering related to the client's unique planning opportunity including the client's financial goals, tolerance to risk, time horizon, tax status, family, and similar information. Once the requested information is assembled, the Balefire Financial Planning Team will make a thorough analysis of the opportunity and options available and formulate recommendations. After consultation with the client, a plan is developed to assist the client in achieving their desired outcome. As Financial Planning Services are provided, the Client is free to follow, or disregard, in whole or in part, any recommendations, suggestions, or advice made by Balefire to the Client, and the Client may choose any advisor, brokerage firm or comparable products of the Client's choice to implement the suggestions and recommendations prepared by Balefire. Balefire does not have the discretionary

authority to implement financial planning recommendations. For the implementation of investment recommendations by Balefire, the Client must enter into a separate and distinct Comprehensive Asset Management Agreement with Balefire for an additional fee.

The services Balefire provides usually lead to Clients electing to receive investment management services from Balefire. The bundled fee paid by each client is based on the value of each client's investment accounts. Therefore, Balefire has an inherent conflict because its interests are best served by making Financial Planning recommendations that result in retaining or increasing assets under management or the sale of investment or insurance products for commissions.

Balefire warrants to each Client that it has developed reasonable internal controls and written policies and procedures to promote an environment that allows Balefire to comply with its fiduciary duties. Client's may obtain a copy of Balefire's confidential policies and procedures, at any time and without cost, by contacting the Balefire Chief Compliance Officer at compliance@balefirewealth.com.

Throughout the process of providing Financial Planning Services to Client, Balefire and the Client will mutually participate in the process of gathering information requested by Balefire to provide a professional assessment of the Client's planning desires, needs, and intentions; to create a proposal for services based on the scope and objectives of the proposed assignment; and enter into an Engagement Contract defining the terms, fees, and conditions under which Financial Planning Services will be provided.

The Fees paid for Financial Planning Services, if any, are exhausted by those services and an additional fee would be required for the ongoing monitoring or management of client assets. Financial Planning Services may be contracted on a flat fee or as a percentage of the assets for which the services are being performed. Financial Planning fees will vary significantly depending upon the scope and duration of the services provided. A written estimate of the negotiated fees for services will be provided to the client in their engagement agreement prior to the initiation of any services. Balefire may require an advance deposit of the estimated fee. Any remainder of the fee is due to Balefire at the time the services are completed, and the financial plan or other report is delivered to the client. Once the fees are paid in full, the Financial Planning Agreement will be terminated, and any additional services will require a new Engagement Contract. Balefire will not collect any fee in excess of \$1,200 for services to be performed six (6) months or more in the future. Should the contract terminate, any prepaid and unearned fee will be returned to the Client pro rata.

Tailored Relationships

Balefire tailors its advisor services to the individual needs of each of its clients. Each client is relied upon to provide Balefire with accurate information regarding their investment portfolio and financial situation. Information Balefire considers in tailoring individual advisory services include the client's financial condition, investment objectives, tolerance to risk, investment timeframe, liquidity needs, and tax status. All of our recommendations will be made in reliance on the information provided by the client, and the client is responsible for ensuring that the information provided is complete and accurate. Client information is maintained and protected in electronic files and is updated whenever the client informs of us of changes. Balefire performs advisory services for other clients, and it will give advice or take actions in other client's accounts, that will likely differ from the timing or nature of actions it takes in another client's account(s). Contracts for advisory services cannot be assigned by Balefire without the client's affirmative consent.

Corporate Solutions

Balefire provides advisory services to retirement plans ("Plans"), generally covered by the Employee Retirement Income Security Act of 1974 ("ERISA"). In doing so, Balefire represents that it is registered as an investment advisor under the Investment Advisers Act of 1940 and acknowledges that, with respect to each client, if it is a covered employee plan, Balefire is a "Fiduciary" and "Investment Manager" as defined in sections 3(21)(A) and/or 3(38) of ERISA. Trustees of each Plan are required to enter into an agreement describing the services that Balefire will perform for the Plan and its participants.

Balefire provides participants in each Plan with information about the Plan features and investment alternatives that is sufficient to enable participants to make informed investment decisions. Balefire may also provide additional services in concert with the Plan including assisting in establishing the investment policy for the Plan, the investment objectives of the Plan, the asset types and classes to be offered under the Plan, the number of investment options to be offered under each class of investment, the criteria and benchmarks for the selection and monitoring of the specific investments to be offered under the Plan, monitoring the investments in the Plan and suggesting replacements as appropriate, providing participant education, and advising the Plan Sponsor in following a fiduciary process. Additionally, Balefire may offer to conduct in-person group sessions and provide educational materials to participants in the Plan, advising them of features, benefits, and investment options under the Plan. Balefire may also offer participants one-on-one meetings and individual advice to create model portfolios where the participant elects not to make his or her own asset allocation decisions. Participants maintain the sole responsibility to act upon the advice, unless they individually enter into a separate advisory contract under which Balefire would take on discretionary control and ongoing management for the participants account(s). Balefire does not charge a commission within any Plan beyond the nominal and disclosed trading and administrative charges incurred by the Plan Custodian. Balefire does not participate in any trading or administrative charges to Plan assets by custodians, nor does it receive any Rule 12b-1 commissions ("trail commissions") or other similar compensation for Plans covered by ERISA. Balefire does not have any arrangements with broker-dealers under which it will benefit from money managers placing trades for any client or Plan. Balefire acknowledges in writing that it owes a fiduciary obligation to each Plan within its Code of Ethics.

Discretionary Services

Balefire provides services to Plans on a discretionary basis as an Investment Manager under ERISA § 3(38). In that capacity, the investment decisions of Balefire are made in its sole discretion without prior consultation or approval of the Plan. Balefire's Discretionary Services include developing and implementing an investment policy statement, selecting a broad range of investment options consistent with ERISA § 404(c), making decisions about the selection, retention, removal and addition of investment options, ongoing investment monitoring, selection of a qualified default investment alternative ("QDIA") for participants who fail to make an investment election, performance reports, education, enrollment, and analysis.

Non-Discretionary Services

Balefire also provides services to Plans on a non-discretionary basis under ERISA § 3(21). In that capacity the Plan retains and exercises all final decision-making authority and responsibility for the implementation (or rejection) of advisory recommendations. Balefire's non-discretionary services include assisting the Plan in developing and implementing an investment policy statement, assisting the Plan in selecting a broad range of investment options consistent with ERISA § 404(c), assisting the Plan in making decisions

about the selection, retention, removal and addition of investment options, selection of a qualified default investment alternative (“QDIA”) for participants who fail to make an investment election, performance reports, education, enrollment, and analysis.

Retirement Accounts and Rollover Recommendations

Balefire is a fiduciary under ERISA with respect to investment management services and investment advice provided to ERISA Clients, including ERISA plan participants. Balefire is also a fiduciary under the Internal Revenue Code (the “IRC”) with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRA owners, and IRAs (collectively, “Retirement Account Clients”). As such, Balefire is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. For the transaction to be exempted from the prohibited transaction rules, Balefire must (i) meet a professional standard of care when making investment recommendations (give prudent advice); (ii) never put our financial interests ahead of our Clients when making recommendations (give loyal advice); (iii) avoid misleading statements about conflicts of interest, fees, and investments; (iv) follow policies and procedures designed to ensure that we give advice that is in each client’s best interest; (v) charge no more than is reasonable for the services we provide; and (vi) provide Clients with basic information about conflicts of interest.

An individual leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer’s plan, if permitted, (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). When Balefire recommends that a client roll over their retirement plan assets into an account to be managed by Balefire, that recommendation creates a conflict of interest because Balefire will earn an advisory fee on the assets being rolled over. Balefire mitigates this conflict by acting in the best interest of the Client. No client is under any obligation to roll over retirement plan assets to an account managed by Balefire.

Regulatory Assets Under Management and Assets Under Advisement

Balefire has the following assets under management or advisement as of January 31, 2026:

Discretionary Assets Under Management	Non-Discretionary Assets Under Management	Total Regulatory Assets Under Management	Assets Not Included on Form ADV Part 1¹	Total Assets Under Advisement
\$1,988,796,480.00	\$0	\$1,988,796,480.00	\$1,046,512,560.00	\$3,035,359,042.00

¹ Assets Not Included on ADV Part I are assets that Balefire advises on, but do not meet the SEC definition of Regulatory Assets Under Management and thus are not reportable on Form ADV. Total Assets Under Advisement is inclusive of Regulatory Assets Under Management.

Item 5: Fees and Compensation

Description

Fees for Discretionary Asset Management, Financial Planning Services, and Corporate Solutions are **subject to negotiation** based on the scope and complexity of the services provided to the client or Plan. The specific fee rate and the manner and timing of fee collection are described in each client or Plan advisory Agreement, Engagement Contract, or account application. Advisory fees for services provided by Balefire may be more or less than those for comparable services offered elsewhere. Clients have the option to invest in opportunities recommended by Balefire through other brokers or agents that are not affiliated with Balefire. Advisory fees vary depending on the types of engagement and the selected services provided.

Comprehensive Asset Management Services

Fees for Comprehensive Asset Management Services are generally calculated as a percentage of assets under management based on the market value of the assets in each account, including cash and similar equivalents, on the close of the last business day of each calendar quarter and are collected in advance. A typical fee calculation for these services is (ending account value) x (annual fee %/4 quarters) = (quarterly fee). As an example, a client with a \$200,000 account balance on the close of the last day of a quarter and paying a 1.25% annual fee would be charged a fee of \$625.00 for that quarter.

$$\text{Example: } (\$200,000.00) \times (.0125/4) = (\$625.00)$$

Fees for the initial quarter for which services are provided are prorated based upon the number of days remaining in the quarter. Any fee rate changes become effective with the next fee billing cycle.

Financial Planning Services

The fees for Financial Planning Services are generally contracted on an hourly, project, or flat-fee basis depending upon the scope, complexity, and duration of the services provided. Fees will vary significantly depending upon the scope and duration of the services provided. A written estimate of the negotiated fees for services will be provided to the client in their engagement agreement prior to the initiation of any services. Balefire may require an advance deposit equal up to 100% of the estimated fee, however we will not collect any fee in excess of \$1,200 for Services to be performed six (6) months or more in the future. Any unearned portion of any previously paid fees for Financial Planning Services will be refunded to the client if services are terminated prior to the completion of the contracted project.

Corporate Solutions

Fees for advisory services provided to ERISA and Internal Revenue Code ("IRC") Qualified Plans, Pensions, and Profit-sharing Plans (each a "Plan") are charged as a percentage of Plan assets or a flat fee and are negotiated regardless of Plan size. Fees for established Plans range from .05% to .50% depending upon the services selected and the discretionary nature of the relationship. Annual fees for start-up Plans range from \$5,000 to \$7,500 depending upon the selection of services provided. Fees for Corporate Solutions services are paid in arrears.

Balefire is subject to specific duties and obligations under ERISA and the IRC that include, among other

things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Balefire may only charge fees for investment advice about products for which Balefire and/or its affiliates do not receive any commission, 12b-1 fees or other compensation or alternatively, if Balefire and/or its affiliates receive such commissions, 12b-1 fees or other compensation, it will offset such amounts on a dollar-for-dollar basis against the advisory fee.

Platform Fee

A portion of the fee Balefire collects is used to offset the costs of providing portfolio accounting, modeling and rebalancing services, technology platforms, compliance, back office operational support, and reporting services, commonly referred to as a “platform fee”. The platform fee is an additional 25bps (0.25%) cost assessed to the Client.

Platform fees are not paid by Plans receiving services from the Corporate Solutions team and are often waived for Institutional and Ultra-High Net Worth Clients.

Asset Selection

While Balefire mainly utilizes Separately Managed Accounts (“SMA’s”), mutual funds, ETF’s, cash equivalents, stocks, alternatives, and both public and private debt and equity, in Client accounts, it does not limit the types of investments it might consider managing for a client. Balefire believes that all asset classes - equities, fixed income, alternatives, and cash – are valuable tools in implementing Client investment strategies. As such, Fees for services are based on each account’s total value including cash and cash equivalents.

Fee Debiting

Balefire collects advisory fees, in advance, on a quarterly basis for its Comprehensive Asset Management clients. In the application to establish an advisory account, and through their advisory agreement the client authorizes Balefire and their account custodian to deduct one-fourth of the annual management fee directly from the client’s account(s) at the beginning of each quarter and send the fees to Balefire. Clients will not receive advance billing invoices prior to the debiting of fees. However, each client will receive a quarterly account statement directly from their Qualified Custodian detailing the fee deducted from each account during the prior period. The client’s authorization to deduct fees directly from the client’s account is intended as an accommodation for the benefit of the client. Clients authorize Balefire and their custodians to sell money market shares and then securities, in that order of preference, if sufficient cash balances are not available in the account at the time the fees are to be debited.

Fees for clients referred to a Sub-Advisor will be debited from the client’s custodial account by the Sub-Advisor. Corporate Solutions ERISA Plans pay Fees in arrears.

Fees are usually collected within the first few days of the beginning of the new quarter. Clients who have any questions on how their fee was calculated or who wish to dispute any fee, should IMMEDIATELY contact Balefire at 972-361-1001.

Other Fees

Clients pay additional fees beyond the advisory fee they pay to Balefire.

Most Balefire client accounts receiving Discretionary Asset Management services have all or a portion of their assets managed as a part of one of the model portfolios curated by the Balefire Investment Committee. The Investment Managers of each strategy selected for each Client charge a separate fee in addition to the fee clients pay to Balefire for its services. Investment Manager fees range from .08bps to .60bps depending upon the investment style, asset selection, asset allocation, thesis, turnover, capitalization, global focus, and similar characteristics of the Investment Manager.

Trading and Account Administration Costs

Custodians assess nominal trading costs to transactions in client accounts, commonly referred to as “ticket charges”, and it is the client that pays these charges. Other costs a client may incur in their account might include markups and markdowns on certain fixed income securities, management fees paid to mutual fund and ETF managers, and other charges assessed by custodians, brokers, third party investment companies, wire transfer and electronic fund fees, margin interest, and other fees and taxes on securities transactions. Balefire seeks to invest in appropriate classes of securities that trade at a reduced fee, or no fee, and to negotiate reduced ownership costs for its clients. Balefire is not paid any commission or other compensation for transactions in client accounts, nor does it share in any other costs incurred in client accounts.

Waiver

Balefire retains the discretion to offset or waive its right to collect any fee due Balefire, in whole or in part, by virtue of its client advisory contracts. The waiver of any fee for any particular client or account shall have no bearing whatsoever on the fees due from any other client or account.

Termination of Agreement & Pro Rata Refund of Unearned Fees

Clients may terminate their agreement without penalty, for a full refund of fees, within five (5) business days of signing their advisory agreement. Thereafter, clients may elect to terminate their Agreement with Balefire at any time for any reason. Should a client elect to terminate services during any quarter, the client will only be responsible for the prorated fee for that quarter based upon the number of days services were performed. In that case, a prorated reimbursement of unearned fees will be made to the client. For instance, if a client terminates services 25 days into a 90-day quarter for which fees have already been paid, then the client shall be entitled to 65 days of fee reimbursement, or 65/90ths of the original fee paid.

Example: $[\# \text{ of Days in Quarter} - \text{Days of service}] / [\# \text{ of days in Quarter}] \times [\text{Prepaid Fee } \$] = \text{Prorated Refund}$

Any unearned portion of previously paid fees for Financial Planning Services will be refunded to the client if services are terminated prior to the completion of the contracted project. The client’s refund amount will be based upon the percentage of the project that has been completed and delivered to the client. For instance, a client may have contracted for 4 hours worth of services at a rate of \$250/hour and paid the entire fee in advance. If the Client terminates the agreement after only 2 hours of services have been delivered, then the client would be entitled to a refund of \$500 (2 unearned hours X \$250.00 = \$500).

If a client elects to terminate their relationship with the Sub-Advisor, the terms for termination will be set forth in the respective agreements between the client and that Sub-Advisor. Balefire will assist the client

with the termination and transition as appropriate.

Corporate Solutions services are collected in arrears. Therefore, partial fees for services are performed for a terminating Plan are collected by the Plan administrator from Plan assets and are paid to Balefire.

Unaffiliated Broker/Dealer and Insurance Agent Compensation

Some of the investment advisor representatives and partners of Balefire are also dual registered with unaffiliated FINRA Member Integrity Alliance, LLC ("Integrity"). In that separate capacity, commissions are paid to Balefire for the execution of securities transactions. This represents a small portion of the overall annual revenue of Balefire and commissions and fees are never paid for the same securities or transaction.

Likewise, some investment advisory representatives are licensed insurance agents. In that separate capacity, commissions are paid to Balefire for the sales of insurance products. Fees are never charged for the sale of insurance products for with Balefire also receives a commission.

Item 6: Performance-based Fees

Balefire does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) because of the potential conflict of interest.

Item 7: Types of Clients

Balefire provides investment advice and financial planning services to individuals, including high-net-worth individuals², pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. In providing these services, Balefire relies on each Client to furnish Balefire with current and accurate information regarding their current Plan, investment portfolio and financial situation, investment objectives, risk tolerance level, investment time frame, liquidity needs, and tax status, as well as the related documents which Balefire requests. Upon completion of its review and analysis, Balefire will suggest a strategy for the client or Plan. Each recommendation and investment decision will be made in reliance on the information provided by the client or Plan Trustees.

Balefire will contact each Plan and Client household at least annually to see if there have been any changes in financial condition, investment objectives, risk tolerance level, investment time frame, liquidity needs, tax status, or similar meaningful information. Each client may impose reasonable restrictions on the management of their Account or modify existing restrictions at any time.

Balefire does not impose a minimum account or relationship size. Certain Sub-Advisors or investment models may have a minimum asset requirement, and thus may not be available for smaller accounts.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

Methods of Analysis

² The Form ADV Glossary of Terms explains that a "high-net-worth individual" is an individual with at least \$1.1M managed by the reporting investment adviser (Balefire), or whose net worth Balefire reasonably believes exceeds \$2.2M.

Balefire may employ fundamental, technical, valuation analysis, or cyclical analysis of securities, and passive or tactical allocation strategies in providing investment advice to clients. In doing so, Balefire uses Chartered Financial Analysts (“CFAs”) to provide advice, guidance, asset allocation, and testing functions to Balefire, financial periodicals, research and other materials prepared by unaffiliated third-parties, inspections of corporate activities, corporate rating services and annual reports, prospectuses, filings with the SEC, company press releases, information posted on the Internet, and similar informative materials. Balefire routinely consults with other investment managers and industry professionals about the investments and investment strategies being considered. Balefire also conducts regular Investment Committee meetings. These meetings are designed as an open and free flowing discussion of the economy, world events, opportunities, challenges, testing results, existing and available Investment Managers and their strategies, and ideas affecting investing in general. Balefire will also use software it has licensed to create financial plans, asset allocation models, portfolio analysis, historical investment reports, and similar planning and modeling tools.

Balefire primarily uses a core and tactical philosophy which is designed to engineer broadly diversified global portfolios that seek to combine the benefits of a long-term core portfolio with the potential for reduced risk and/or enhanced returns through tactical investment selections. We provide a proactive investment management style, aiming for low costs, reduced volatility, and the potential for long-term excess returns relative to a purely passive investment approach.

Balefire generally uses Exchange Trades Funds, mutual funds, individual stocks and bonds, alternative investments, and cash to implement its investment strategies. All of these asset classes, including cash and cash equivalents, are included in the calculation of client fees.

Risk of Loss and other Known and Unknown Risks Market Risk

Clients are generally invested in an equity, fixed income, alternatives, cash, or blended portfolios based on their individual financial goals and objectives, restrictions, and investment limitations. Balefire will customize its investment strategy for each account to the unique goals and objectives of the client given the Investment Committee’s overall view of market conditions. Balefire seeks to maximize opportunities and manage risk by diversifying client accounts in equities, fixed income securities, alternatives and structured products, or other derivatives that can include leverage, often through investment in public and private equity and debt, ETFs, mutual funds, and cash. However, if Balefire forecasts a more negative market on the horizon, a defensive approach may be taken by, for example, holding a larger portion of client accounts in cash. Balefire’s objective is to help clients achieve their financial goals, regardless of market conditions.

Balefire’s strategies to manage client accounts will often involve the employment of independent sub-advisers and model portfolios sponsored by third-party investment advisers each of which will employ their own investment strategies in the management of client assets.

The value of a client account will decrease if the value of the investments in the account decreases or if the portfolio manager’s belief about an investment opportunity’s future prospects or expected return is incorrect. Further, regardless of how well individual investments perform, the value of the account could also decrease if there are deteriorating economic or market conditions. It is important to understand the value of your investment may fall, sometimes sharply in response to changes in the market, and you could lose money.

Client accounts are subject to various forms of risk, and clients must have the tolerance and capacity to endure decreases in the account and the potential loss of principal. Here are a few examples of the specific risks that are prevalent in investing:

Growth Securities Risk (Stocks)

Securities of companies perceived to be growth companies may be more volatile than other investments and may involve special risks. The value of a growth investment may be impacted significantly if the company or strategy does not realize its anticipated potential or if there is a shift in the market away from growth assets in favor of another type of investment.

Fixed Income Securities (Bonds)

Client accounts may be invested in bonds, debt and other fixed income securities to generate income. Typically, fixed income investment values move inversely to prevailing interest rates. Therefore, a fundamental risk to fixed income investments is interest rate risk. As prevailing interest rates rise, fixed income values will decrease, and vice versa. The extent that any specific fixed income investment will react to a change in interest rates will depend on the specific characteristics of each investment. Fixed income securities are also subject to credit risk, prepayment risk, extension risk, call risk, conversion risk, valuation risk, reinvestment risk, and liquidity risk.

Foreign Investment Risk

Client accounts may have exposure to foreign markets, including emerging markets, which can be more volatile than the U.S. markets. As a result, the return on these investments may be affected to a large degree by fluctuations in currency exchange rates, political, or economic conditions in a particular country or global macroeconomic conditions. A market swing in one or more countries or regions could have a substantial impact on performance of client portfolios.

Capitalization Risk

Securities of smaller capitalized companies tend to be more volatile and less liquid than those of large companies and tend to have a shorter history of operations than large companies.

Alternative Investment Risk

Investments in alternative investments, such as private debt, private real estate, private equity, and other alternative investments often are (i) highly speculative and invest in complex instruments and structures including derivatives and structured products; (ii) illiquid with limited withdrawal or redemption rights; (iii) leveraged, (iv) subject to significant volatility; (v) subject to long holding periods; (vi) less transparent than public investments; (vii) subject to significant restrictions on transfers; (viii) affected by complex tax considerations; (ix) carry no guarantee that investors will receive a distribution; (x) subject to economic factors affecting the general economy, including interest rates, availability of financing, growth of GDP, cost of insurance, natural disasters, and inflation; and (xi) in some cases, affected by capital call default risk. In addition to the above, investors in these strategies will be subject to complex and variable fees and expenses which will reduce profits or increase losses. These investments may not be registered as investment companies and as a result, the regulatory requirements which govern alternative investments may be different. There are numerous other risks in investing in these securities. Clients should consult

each Alternative Investment's Private Placement Memorandum ("PPM) and/or other documents explaining such risks prior to investing.

Margin Risk

There may be instances in which margin leverage is used in client accounts. The use of margin leverage enhances the overall risk of investment gain and loss to the clients' investment portfolio. The use of margin leverage entails borrowing which results in additional interest costs to the investor. Clients may elect to borrow funds against their investment portfolio. When investments are purchased, they may be paid for in full or the client may borrow part of the purchase price from the account custodian. If a client borrows part of the purchase price, the client is engaging in margin transactions and there is risk involved with this. The assets held in a margin account are collateral for the custodian that loaned the client money. If those assets decline in value, then the value of the collateral supporting the client's loan also declines. As a result, the brokerage firm may be required to take action in order to maintain the necessary level of equity in the client's account. The brokerage firm may issue a margin call and/or sell other assets in the client's account to accomplish this. It is important that clients fully understand the risks involved in trading on margin, including but not limited to: It is possible to lose more funds than is deposited into a margin account; The account custodian can force the sale of assets in the account; the account custodian can sell assets in the account without contacting the client first; the account holder is not entitled to choose which assets in a margin account may be sold to meet a margin call; the account custodian can increase its "house" maintenance margin requirements at any time without advance written notice; and the account holder is not entitled to an extension of time on a margin call.

Model Risk

Where the management of an account includes the use of third-party advised models, there may be deficiencies in the design or operation of these models, including shortcomings or failures of processes, people or systems. Investments selected using models may perform differently than expected as a result of the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, the speed that market conditions change and technical issues in the construction and implementation of the models. The use of investment models, electronic trading, and software programs to calculate trades, in contrast to person-to-person manual trading, could be adversely impacted by software or hardware malfunction and other technological failures, power loss, software bugs, malicious code, viruses or system crashes or various other events or circumstances within or beyond the control of Balefire. All model trading is processed on a "best efforts" basis dependent on availability of accurate data, correct and complete software calculations, and successful and timely trade delivery to custodians, among other factors. Execution of model trading signals might not be completed during the current market session due to these implementation factors, and/or will be executed in the next market session, if necessary. In some instances, account-level changes combined with model-level changes in the same market session can work at cross purposes, one serving to increase or decrease exposure to a specific security while the other moves the position in the opposite direction. These outcomes are inherent to managing investments through the model allocation approach.

Real Estate Risks

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by changes in local real estate market conditions due to changes in

national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws. including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Past performance is not indicative of future results. Investing involves a risk of loss that clients should be prepared to bear. As with all investments, clients face risks including the loss of principal, interest rate risk, market and economic risks, inflation risk, currency risk, reinvestment risk, business risk, liquidity risk, financial risk, and unforeseeable risks related to government, taxes, geopolitical strife, wars and acts of God.

Item 9: Disciplinary Information

In 2015, VisionPoint Advisory Group ("VPAG"), Balefire's predecessor, settled with the SEC an administrative enforcement action alleging that VPAG failed to properly disclose loans it received from a previous custodian and broker-dealer. The SEC issued a censure, a cease-and-desist order with respect to the alleged disclosure violations, and imposed a \$45,000 fine, which was paid by VPAG.

Item 10: Other Financial Industry Activities and Affiliations

Registered Representatives of Integrity

Balefire associates and partners may also be Registered Representatives of Integrity, a registered Broker/Dealer, member FINRA and SIPC. Clients are under no obligation to purchase or sell securities through Integrity. However, if a client chooses to purchase products through Integrity, commissions will be earned by Balefire in addition to any fees paid for advisory services. Commissions may be higher or lower at Integrity than at other broker/dealers. Balefire has a conflict of interest in purchasing securities products through Integrity in that the higher their production with Integrity the greater potential for obtaining a higher pay-out on commissions earned, and other cash, and non-cash compensation. Further, Balefire may be restricted to only offering those products and services that have been reviewed and approved for offering to the public through Integrity. Integrity will gather confidential personal information about Balefire clients who elect to purchase investments and/or insurance from Integrity. If you would like a copy of the Integrity Privacy Policy, please contact our Chief Compliance Officer at 972-361-1001.

Insurance Agency and Agents

Certain employees and other related persons of Balefire are licensed with various insurance companies. Balefire and its employees have a conflict of interest when they recommend clients purchase insurance products offered by these insurance companies since commissions are earned in addition to fees for advisory services. Clients are not obligated to purchase insurance products through Balefire or its employees.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Balefire has adopted a Code of Ethics (the “Code”) that sets forth fiduciary standards that apply to all employees and incorporates Balefire’s high standard of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, outside business activities, political contributions, and personal securities trading procedures and reporting requirements, among other things. The Code is available upon request, without cost, by contacting Balefire at compliance@balefirewealth.com.

General Principles

The Code is designed to set forth the Firm’s policy regarding Balefire’s conduct in those situations in which conflicts are most likely to develop, including the following fundamental fiduciary principles:

- The interests of our clients must come first. The Firm must scrupulously avoid serving its own interests ahead of those of its clients when making any decision relating to personal investments;
- Access Persons must not take advantage of their positions;
- Confidential Client Information must be kept confidential;
- Access Persons responsible for providing investment advice to clients must always provide professional investment advice based upon unbiased independent judgment while managing conflicts of interest; and
- Balefire adheres to the standards of impartial conduct requiring Balefire to provide advice in each Client’s best interest, charge reasonable fees based on the scope and complexity of the services provided, and to make straight-forward statements regarding its recommendations.

These principles govern all conduct by Access Persons whether or not such conduct is covered by specific procedures.

All supervised persons at Balefire must acknowledge the terms of the Code at the time they are registered or employed then annually thereafter, or as amended. Balefire’s advisors and employees are expected to comply with federal and state securities laws and the Firm’s written supervisory procedures.

Participation or Interest in Client Transactions

Aside from immediate family members and other similar arrangements approved in advance by Balefire, advisors and employees are not permitted to participate in the gains or losses in any client account. Advisors are not permitted to act as a trustee, custodian, executor, joint-tenant, beneficiary or similar other named fiduciary to any Client account unless the arrangement is approved in advance by the Chief Compliance Officer.

Personal Trading Policy

Balefire and its employees and advisors may buy, sell, or hold securities in their personal accounts that we also recommend, buy, or sell for our clients. Personal securities transactions by these individuals are reported not less than quarterly so that Balefire may supervise the account activities to reasonably determine if any personal transactions were executed to the detriment of our clients. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of our Clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading ahead of client trading activity in non-exempt transactions. Nonetheless, because the Code in some circumstances would permit employees and advisors to invest in the same securities as clients, there is a possibility that employees and advisors might benefit from market activity by a client in a security held by an employee.

Proprietary Products

Balefire does not recommend that Clients buy or sell any security which Balefire manufactures, underwrites, distributes, or in which Balefire has a material financial interest (“Proprietary Products”).

Item 12: Brokerage Practices

Balefire makes recommendations to clients regarding the custodian(s) where client accounts will be held. The majority of client accounts are in the custody of Schwab Institutional, or similar custodian, and each a Qualified Custodian as that term is used in the Act and in *Investment Adviser Act Release No. 2176*. We are independently owned and operated and are not affiliated with any custodian. Balefire does not maintain custody of any client’s cash, banks accounts, or securities.

Selecting Brokerage Firms

Balefire recommends custodians based on the proven integrity and financial strength of the company, best execution of orders at reasonable commission rates, administrative costs to our clients, and the quality of the custodian’s client service. When Balefire enters a buy or sell trade into a custodian’s trading platforms, it is the custodian who selects the broker or dealer who will execute the trade – not Balefire. Balefire does not receive any commissions for trades executed in client accounts, nor does it share in any of the administrative fees charged by the custodian for trading or other services it may charge for in servicing client accounts. Custodians offer investment advisors, like Balefire, services which include custody of securities, trade execution, clearance, and settlement of transactions. Balefire participates in programs with custodians where we receive valuable benefits not generally available to public investors.

The custodian may share in the commission for the transaction, as well as “trail commissions” (generally, Rule 12b-1 commissions paid by mutual funds and some exchange-traded funds), and other compensation it may receive for including certain mutual funds on its trading platform or directing trades to brokers or dealers. It should be clear that Balefire does not participate in any of these commission sharing arrangements.

Soft Dollars and Other Financial Support

Balefire has elected to engage technology platforms and Qualified Custodians to provide services that benefit both the firm and its clients. The selected companies agree to provide the services at either no cost or a reduced cost to Balefire, and the selected companies provide ongoing financial support to Balefire in the form of cash reimbursements to our clients, marketing support, and cash reimbursements

to support the onboarding of new employees and affiliates. We selected these partners, in part, due to the services and financial assistance they provide to Balefire. Balefire does not feel that these arrangements create a conflict of interest to our clients as they do not adversely impact any client in that (i) no additional fee is charged to any client, (ii) the services are provided to benefit all clients and all accounts, and (iii) best execution is preserved.

Orion Advisor Solutions (“Orion”) provides our clients with platforms that assist in the service and management of client portfolios. Orion services include portfolio accounting, trading, risk assessments, due diligence, compliance, client portals, third-party asset managers, portfolio modeling, portfolio audit and proposal generation, custom indexing, portfolio construction, and investment management services. Orion also provides annual marketing support to Balefire in the furtherance of our ongoing growth initiatives. Schwab Institutional (“Schwab”) provides research, debiting of advisory fees, custody of securities, trade execution, clearance, and settlement of transactions. Schwab shares in the transaction fees, service charges, and commissions generated by trades in a client’s account and use those fees, charges, and commissions to provide services to Balefire without cost. Balefire receives a benefit because it does not have to produce or pay for research, or the services provided by Schwab and Orion.

Directed Brokerage

While Balefire does recommend independent Qualified Custodians to its clients, Balefire does not have any arrangements under which it directs trades in client accounts to any particular broker or dealer for execution.

Order Aggregation (“Block Trades”)

Transactions for client accounts in models where we are buying or selling the same securities for several Clients at approximately the same time may be aggregated (commonly, “Block Trades”). In these trades, we combine the orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among clients differences in prices, commissions, or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given aggregate order. Balefire does not receive any additional compensation or remuneration as a result of such aggregation.

Item 13: Reviews of Accounts

Balefire reviews each account on a periodic basis and provides continuous and regular supervision and/or management services to each client. 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. Qualified compliance staff periodically review a sampling of client accounts to identify situations or events that may require further review or a specific action. Account review instructions and standards are included in our written supervisory procedures provided to each reviewer. More frequent reviews may be triggered by market conditions, changes in a client’s investment objective, concerns or requests made by a client, new information about an investment, economic news, changes in tax laws, geopolitical events, and/or other important changes. Not less than quarterly, each client will receive Account statements directly from their custodian. The reports will include a description of all of the activity in the

account during the preceding quarter, including all transactions made on behalf of the account, all contributions and withdrawals made by the client, all fees and expenses charged to the account, and the value of the account at the beginning and end of the period. Clients should immediately notify Balefire and their custodian of any inaccuracies in the quarterly reports.

Item 14: Client Referrals and Other Compensation

Client Referrals (“Promoters”)

Balefire routinely uses an unaffiliated third-party network of business professionals, lawyers, accountants, insurance agencies, and the like (collectively “Promoters”) to advance and secure client referrals in return for compensation. Promoters will provide testimonials and endorsements, verbally and in advertisements, within the following framework:

- **Disclosure:**

Promoters are required to provide a written disclosure to each person referred to Balefire that clearly and prominently discloses whether the Promoter is a client of Balefire and the fact that the Promoter is compensated for the referral, if the referred party becomes a client of Balefire. The disclosure must disclose (i) the compensation arrangement, and (ii) the fact that a conflict of interest exists because the Promoter is biased by their predisposition to endorse Balefire over any other opportunity by virtue of the compensation arrangement.

- **Oversight and Written Agreement:**

Balefire has established, maintains, and enforces a supervisory structure to oversee its compliance with the SEC Marketing Rule and its use of Promoters. Each Promoter is required to enter into a written agreement with Balefire describing the terms and conditions of the relationship.

- **Disqualification**

Balefire will not accept or compensate Promoters that are defined as “bad actors” under the SEC Rules. Bad actors are (i) anyone subject to an order issued by the SEC under Section 203(f) of the Investment Advisers Act (the “Act”); (ii) anyone who has been convicted within the previous ten years of any felony or misdemeanor involving conduct described in Section 203(e)(2)(A)-(D) of the Act; (iii) anyone who has been found by the SEC to have engaged, or has been convicted of engaging, in any of the conduct specified in paragraphs (1), (4) or (5) of Section 203(e) of the Act; or (iv) anyone who is subject to an order, judgement or decree described in Section 203(e)(3) of the Act.

- **Informal Gifts and Gestures of Gratitude**

At its own discretion, and without disclosure to any Client or prospective client, Balefire also frequently provides nominal gifts, gift cards, tickets, and other and non-cash compensation, to clients, professional contacts, and centers of influence for referrals and introductions. These gestures of gratitude do not exceed \$1,000 per person in any 12-month period.

Other compensation

Some of the investment advisory representatives and partners of Balefire are also dual registered with

unaffiliated FINRA Member Integrity Alliance, LLC. In that separate capacity, commissions are paid to Balefire for the execution of securities transactions. This represents a small portion of the overall annual revenue to Balefire and commissions and fees are never paid for the same securities or transaction.

Likewise, some investment advisory representatives are licensed insurance agents. In that separate capacity, commissions are paid to Balefire for the sales of insurance products. Fees are never charged for the sale of insurance products for which Balefire also receives a commission.

Each of these presents a conflict of interest in that Balefire makes additional revenue based upon its recommendations and other financial industry affiliations, registration, and licensing.

Item 15: Custody

Balefire does not take custody of any client cash, bank accounts, funds, or securities as that term is used in SEC Rule 17 CFR § 275.206(4)-2.

Item 16: Investment Discretion

When contracting for Discretionary Asset Management services, each client appoints Balefire as their attorney-in-fact granting limited discretionary authority over the management of their account(s). The client appoints Balefire by executing an advisory agreement granting Balefire discretionary authority. As such, when it is deemed appropriate and in the client's best interest, but without prior consultation with or consent from the client, Balefire may:

- buy, sell, exchange, convert, and otherwise trade in any stock, bond, mutual fund, investment company, exchange-traded fund, REITs, private placement, venture fund, hedge fund, other alternative investment, or any other investable program or opportunity, including money market instruments, (collectively, "Investments"), that it deems to be in the Client's best interests in attempting to achieve the objectives provided to Balefire by Client; and
- place orders for the execution of such Investment transactions with or through such platforms, placements, banks, brokers, dealers, or other issuers as Balefire may select through its due diligence process; and
- sell Investments regardless of the length of time that such Investments were owned, and regardless of the resulting turnover rate of the Client portfolio, if in the exercise of its sole discretion and judgment Balefire believes such sales are consistent with the Client's interests and investment objectives; and
- execute all documents necessary to affect the retention or appointment of third-party investment managers on behalf of the Client; and
- transfer funds between, reallocate, rebalance, or terminate third party investment managers on behalf of the Client; and
- deduct and collect fees from Accounts for services provided under this Agreement, understanding that the collection of fees directly is an accommodation intended solely as a service to the Client which will not result in a custody relationship, as that term is defined in Section 206(4)-2 of the Act.

The discretionary nature of the advisory relationship alone, does not permit Balefire, its employees, or any advisor to take custody of any client funds or securities. Clients may impose any reasonable restrictions on the management of their account(s) or modify existing restrictions at any time. Investment guidelines and restrictions, and any modification thereof, must be provided to Balefire in writing.

Item 17: Voting Client Securities (Proxy Voting) and Class Action Lawsuits

Proxy Voting

Balefire does not have any authority to and does not vote proxies on behalf of clients. Custodians have been instructed by Balefire to mail proxy materials directly to each client, or a designated representative of the client, who is responsible for voting the proxy. If Balefire receives proxy materials intended for the client, we will promptly forward the materials to the client so that the client may take whatever action they deem advisable. Balefire may respond to client questions regarding proxy-voting matters in an effort to assist the client; however, the final decision of how to vote the proxy rests solely with the client.

Class-Action Lawsuits

From time to time, securities held (or previously held) in the accounts of clients may be subject to class action lawsuits. Balefire has no obligation or responsibility to (1) determine if securities held by the client are subject to a pending or resolved class action lawsuit; (2) evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict; and (3) to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct or negligence by corporate management of issuers whose securities are held by clients.

Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. Balefire does not require or solicit prepayment of more than \$1,200 in fees from its clients for services to be performed six or more months in the future and, thus, by exemption, has not included a balance sheet of Balefire's most current fiscal year. Balefire is unaware of any financial condition or commitment that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients and has not been the subject of any bankruptcy petition or proceedings.

Item 19: Business Continuity Plan

General

Balefire has developed a Business Continuity Plan designed to ensure the continuation of essential business operations in the event of natural or man-made disaster, a loss of communications or services, or upon loss of a key person. The Plan has the support of management who have committed the necessary time and funds to create and maintain a practical Business Continuity Plan. The Plan is analyzed regularly and updated, as necessary.

Disasters

The Business Continuity Plan covers natural disasters such as ice or snowstorms, tornadoes or high winds,

and earthquakes. It also covers man-made disasters such as a loss of electrical power, loss of telephone, fire, bomb threats, chemical or biological disasters, Internet outages, loss of the file server, loss of key management, cybersecurity threats, and computer viruses.

Alternate Offices

Key personnel from Balefire would relocate to secure remote locations to support ongoing operations in the event our main office is unavailable. Balefire has taken measured and reasonable steps to ensure that it can effectively operate for the benefit of its clients from any residence or office location with telephone or internet access. Generally, we would not relocate Balefire employees or advisors until a disaster has made the office unavailable or unusable for a period of at least 72-hours. Balefire's operating, trading, and communication systems are intentionally designed to be Internet-based so that they could be performed by personnel from virtually any location. In practice, the telephones and other communication lines would be rerouted and advisors and staff would work from home or the alternate office until such time as the main office was once again available. In the event of a disaster, Balefire would post a notice along with contact information on its website at <https://balefirewealth.com/>.

Item 20: Information Security Program

Balefire has an obligation to its clients to develop, test, monitor, and refine its security systems to minimize the risks of a cybersecurity breach or loss of client information. Maintaining the security of the information in the company's possession is a core function of its operation. The availability, integrity, security, and confidentiality of information is critical to the protection of the company's reputation, its limitation of risk, and its ability to continue to attract and retain its client relationships. Balefire has intentionally built its platforms in an internet-based environment. Amongst other functions, we hold and retrieve client non-public information, trade client accounts, communicate with clients, store confidential documents, maintain custodial relationships, and reconcile and report on client accounts, via the internet. Put simply, the internet provides immeasurable benefits to Balefire, but we cannot escape the fact that it also brings inherent risks. Therefore, Balefire has dedicated considerable time, money, and resources in support of the effort to protect the company's information, as well as the personal non-public information of its clients. We have focused on technology hardware designed to limit access to confidential information, software programs designed to detect and eliminate viruses and hacking, physical security measures, client identification and verification protocols, ensuring that third-party vendors treat our client information as private, limiting access to those who require it for the company to function properly, real-time monitoring and reporting on vulnerabilities and attempted attacks, periodic security patches and systems upgrades, platform redundancy and backup, detecting insider threats, education and training, event simulation, and penetration testing and reporting.

***** [END] *****