

# Disclosure Brochure

June 27, 2012

## **Burros Wealth Management, LLC**

*a Registered Investment Adviser*

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[www.burroswealth.com](http://www.burroswealth.com)

This brochure provides information about the qualifications and business practices of Burros Wealth Management, LLC, CRD No. 147444 (hereinafter "Burros Wealth Management"). If you have any questions about the contents of this brochure, please contact David R. Burros at (303) 717-2930. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Burros Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Burros Wealth Management, LLC is a state registered investment adviser. Registration does not imply any level of skill or training.

## **Item 2. Material Changes**

This Item discusses only the material changes that have occurred since Burros Wealth Management's last annual update dated April 7, 2011.

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## Item 4. Advisory Business

Burros Wealth Management provides investment management and financial planning and consulting services as part of a wealth management offering. Prior to engaging Burros Wealth Management to provide any of the foregoing services, the client is required to enter into one or more written agreements with Burros Wealth Management setting forth the terms and conditions under which Burros Wealth Management renders its services (collectively the “*Agreement*”).

Burros Wealth Management has been in business as a registered investment adviser since February 4, 2009. David R. Burros is the principal owner(s) of Burros Wealth Management.

Burros Wealth Management has \$27,473,485 of discretionary assets under management as of December 31, 2011.

This Disclosure Brochure describes the business of Burros Wealth Management. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of Burros Wealth Management’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on Burros Wealth Management’s behalf and is subject to Burros Wealth Management’s supervision or control.

### Wealth Management Services

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Burros Wealth Management provides clients with wealth management services which includes the discretionary management of their investment portfolios and may include a broad range of comprehensive financial planning and consulting services such as the preparation of an initial asset allocation as well as advice on retirement planning and non-investment related matters. In limited circumstances, Burros Wealth Management may provide financial planning and consulting services on a standalone basis.

In performing any of its financial planning and consulting services, Burros Wealth Management is not required to verify any information received from the client or from the client’s other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. Burros Wealth Management may recommend the services of itself, its *Supervised Persons* in their individual capacities as registered representatives of a broker-dealer, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if Burros Wealth Management recommends its own services. The client is under no obligation to act upon any of the recommendations made by Burros Wealth Management under a financial planning or consulting engagement or to engage the services of any such recommended professional, including Burros Wealth Management itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of Burros Wealth Management’s recommendations.

Burros Wealth Management primarily allocates clients' investment management assets among money-market investments, mutual funds, exchange-traded funds ("ETFs"), and individual debt and equity securities in accordance with the investment objectives of the client. Burros Wealth Management also provides advice about any type of investment held in clients' portfolios.

Burros Wealth Management tailors its advisory services to the individual needs of clients. Burros Wealth Management consults with clients initially and on an ongoing basis to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs. Burros Wealth Management ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify Burros Wealth Management if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Burros Wealth Management's management services. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in Burros Wealth Management's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

### **Item 5. Fees and Compensation**

Burros Wealth Management offers its wealth management services for a fee based upon assets under management. If a client engages Burros Wealth Management solely for financial planning and consulting services, Burros Wealth Management will charged a fixed fee. Additionally, certain of Burros Wealth Management's *Supervised Persons*, in their individual capacities, may offer securities brokerage services and insurance products under a commission arrangement.

#### **Wealth Management Fee**

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Burros Wealth Management provides wealth management services for an annual fee based upon a percentage of the market value of the assets being managed by Burros Wealth Management. These services generally include wealth building, wealth protection, wealth transfer and retirement planning. Burros Wealth Management's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Burros Wealth Management does not, however, receive any portion of these commissions, fees, and costs. Burros Wealth Management's annual fee is prorated and charged quarterly, in arrears, based upon the average month-end market value of the assets being managed by Burros Wealth Management on the last day of the preceding three months. The annual fee varies between 0.10% and 2.00% depending upon the market value of the assets under management and the type of wealth management services to be rendered.

Burros Wealth Management, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets,

# Burros Wealth Management, LLC Disclosure Brochure

dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

## **Fees Charged by Financial Institutions**

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As further discussed in response to Item 12 (below), Burros Wealth Management generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("*Fidelity*") for investment management accounts.

Burros Wealth Management may only implement its investment management recommendations after the client has arranged for and furnished Burros Wealth Management with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, *Fidelity*, any other broker-dealer recommended by Burros Wealth Management, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients may incur certain charges imposed by the *Financial Institutions* and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to Burros Wealth Management's fee.

Burros Wealth Management's *Agreement* and the separate agreement with any *Financial Institutions* authorize Burros Wealth Management to debit the client's account for the amount of Burros Wealth Management's fee and to directly remit that management fee to Burros Wealth Management. Any *Financial Institutions* recommended by Burros Wealth Management have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Burros Wealth Management. In addition, Burros Wealth Management also sends a duplicate quarterly invoice to clients, which describes the amounts deducted for payment of the Firm's management fee, as required under applicable state securities laws.

## **Fees for Management During Partial Quarters of Service**

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For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between Burros Wealth Management and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. Burros Wealth Management's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Burros Wealth Management's right to terminate an account. Additions may be in cash or securities provided that Burros Wealth Management reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Burros Wealth Management, subject to the usual and customary securities settlement procedures. However, Burros Wealth Management designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Burros Wealth Management may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter.

### **Commissions or Sales Charges for Recommendations of Securities**

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Clients can engage certain persons associated with Burros Wealth Management (but not Burros Wealth Management) to render securities brokerage services under a commission arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Burros Wealth Management. Under this arrangement, clients may implement securities transactions through certain of Burros Wealth Management's *Supervised Persons* in their respective individual capacities as registered representatives of Purshe Kaplan Sterling Investments ("PKS"), an SEC registered broker-dealer and member of FINRA. PKS may charge brokerage commissions to effect these securities transactions and thereafter, a portion of these commissions may be paid by PKS to such *Supervised Persons*. Prior to effecting any transactions clients are required to enter into a new account agreement with PKS. The brokerage commissions charged by PKS may be higher or lower than those charged by other broker-dealers. In addition, certain of Burros Wealth Management's *Supervised Persons* may also receive ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment.

A conflict of interest exists to the extent that Burros Wealth Management recommends the purchase of securities where Burros Wealth Management's *Supervised Persons* receive commissions or other additional compensation as a result of Burros Wealth Management's recommendations. Burros Wealth Management has procedures in place to ensure that any recommendations made by such *Supervised Persons* are in the best interest of clients.

For accounts covered by ERISA (and such others that Burros Wealth Management, in its sole discretion deems appropriate), Burros Wealth Management provides its investment advisory services on a fee-offset basis. In this scenario, Burros Wealth Management may offset its fees by an amount equal to the

aggregate commissions and 12b-1 fees earned by Burros Wealth Management's *Supervised Persons* in their individual capacities as registered representatives of *PKS*.

## Item 6. Performance-Based Fees and Side-by-Side Management

Burros Wealth Management does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7. Types of Clients

Burros Wealth Management provides its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

### Minimum Account Size

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As a condition for starting and maintaining a relationship, Burros Wealth Management generally imposes a minimum portfolio size of \$100,000. Burros Wealth Management, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and *pro bono* activities. Burros Wealth Management only accepts clients with less than the minimum portfolio size if, in the sole opinion of Burros Wealth Management, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Burros Wealth Management may aggregate the portfolios of family members to meet the minimum portfolio size.

## Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

### Methods of Analysis

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Burros Wealth Management's primary methods of analysis are fundamental and technical.

*Fundamental analysis* involves the fundamental financial condition and competitive position of a company. Burros Wealth Management will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical



trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Burros Wealth Management will be able to accurately predict such a reoccurrence.

## Investment Strategies

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Burros Wealth Management typically splits client assets into two groups: conservative and aggressive. There are two factors that determine what group the assets go in: risk tolerance and time horizon.

When it comes to time horizon, the money the client will need in 7 years or less is generally invested conservatively. Conservative assets are invested in money markets and certificates of deposit (CDs).

The money that won't be needed for 7 years or more is generally invested in the stock market and precious metals. When Burros Wealth Management invests in the stock market, its focus is to invest in dividend paying stocks. Burros Wealth Management typically invests in the stock market through a combination of exchange traded funds, individual stocks and variable annuity sub-accounts.

## Risks of Loss

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### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares

or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

### *Market Risks*

The profitability of a significant portion of Burros Wealth Management's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Burros Wealth Management will be able to predict those price movements accurately.

### *General Risk of Loss*

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

## **Item 9. Disciplinary Information**

Burros Wealth Management is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Burros Wealth Management does not have any required disclosures to this Item.

## **Item 10. Other Financial Industry Activities and Affiliations**

Burros Wealth Management is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Burros Wealth Management has described such relationships and arrangements below.

### **Registered Representatives of Broker Dealer**

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As discussed above in Item 5, certain of Burros Wealth Management's *Supervised Persons* are registered representatives of *PKS*.

### **Receipt of Insurance**

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Burros Wealth Management's Principal, David R. Burros, in his individual capacity, is also a licensed insurance agent with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that Burros Wealth Management recommends the purchase of insurance products where Burros Wealth Management's *Supervised Persons* receive insurance commissions or other additional compensation.

## Item 11. Code of Ethics

Burros Wealth Management and persons associated with Burros Wealth Management (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with Burros Wealth Management’s policies and procedures.

Burros Wealth Management has adopted a code of ethics (“*Code of Ethics*”) made up of its personal securities transaction and insider trading policies and procedures. When Burros Wealth Management is purchasing or considering for purchase any security on behalf of a client, no *Covered Person* (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Burros Wealth Management is selling or considering the sale of any security on behalf of a client, no *Covered Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

Unless specifically defined in Burros Wealth Management’s procedures (summarized above), neither Burros Wealth Management nor any of Burros Wealth Management’s Associated Persons may effect for himself or herself, for an Associated Person’s immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively “*Covered Persons*”), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Burros Wealth Management’s clients.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither Burros Wealth Management nor any of its *Supervised Persons* (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers’ acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

This policy has been established recognizing that some securities being considered for purchase and sale on behalf of Burros Wealth Management’s clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. Burros Wealth Management will maintain records of these trades, including the reasons for any exceptions.

In accordance with analogous state securities laws of the Advisers Act, Burros Wealth Management also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by Burros Wealth Management or any of its *Supervised Persons*.

Clients and prospective clients may contact Burros Wealth Management to request a copy of its *Code of Ethics*.

## Item 12. Brokerage Practices

As discussed above, in Item 5, Burros Wealth Management generally recommends that clients utilize the brokerage and clearing services of *Fidelity*.

Factors which Burros Wealth Management considers in recommending *Fidelity* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Fidelity* enables Burros Wealth Management to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by Burros Wealth Management's clients comply with Burros Wealth Management's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where Burros Wealth Management determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a *Financial Institution's* services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Burros Wealth Management seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions may be cleared through other *Financial Institutions* with whom Burros Wealth Management and the *Financial Institutions* have entered into agreements for prime brokerage clearing services. Burros Wealth Management periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client may direct Burros Wealth Management in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and Burros Wealth Management will not seek better execution services or prices from other *Financial Institutions* or be able to "batch" client transactions for execution through other *Financial Institutions* with orders for other accounts managed by Burros Wealth Management (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Burros Wealth Management may decline a client's request to direct brokerage if, in Burros Wealth Management's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless Burros Wealth Management decides to purchase or sell the same securities for several clients at approximately the same time. Burros Wealth Management may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Burros Wealth

Management's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Burros Wealth Management's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Burros Wealth Management determines to aggregate client orders for the purchase or sale of securities, including securities in which Burros Wealth Management's *Supervised Persons* may invest, Burros Wealth Management generally does so in accordance with applicable rules promulgated under the Advisers Act. Burros Wealth Management does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Burros Wealth Management determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Burros Wealth Management may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist Burros Wealth Management in its investment decision-making process. Such research generally will be used to service all of Burros Wealth Management's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Burros Wealth Management does not have to produce or pay for the products or services.

### **Commissions or Sales Charges for Recommendations of Securities**

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As discussed above, certain *Supervised Persons* in their respective individual capacities, are registered representatives of *PKS*. These *Supervised Persons* are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless *PKS* provides written consent. Therefore, clients are advised that certain *Supervised Persons* may be restricted to conducting securities transactions through *PKS* unless they first secure written consent from

*PKS* to execute securities transactions through a different broker-dealer. Absent such written consent or separation from *PKS*, these *Supervised Persons* are prohibited from executing securities transactions through any broker-dealer other than *PKS* under *PKS*'s internal supervisory policies. Burros Wealth Management is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

### **Software and Support Provided by Financial Institutions**

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Burros Wealth Management may receive from *Fidelity*, without cost to Burros Wealth Management, computer software and related systems support, which allow Burros Wealth Management to better monitor client accounts maintained at *Fidelity*. Burros Wealth Management may receive the software and related support without cost because Burros Wealth Management renders investment management services to clients that maintain assets at *Fidelity*. The software and support is not provided in connection with securities transactions of clients (i.e. not "soft dollars"). The software and related systems support may benefit Burros Wealth Management, but not its clients directly. In fulfilling its duties to its clients, Burros Wealth Management endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Burros Wealth Management's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence Burros Wealth Management's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Burros Wealth Management may receive the following benefits from *Fidelity* through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

### **Item 13. Review of Accounts**

For those clients to whom Burros Wealth Management provides investment management services, Burros Wealth Management monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom Burros Wealth Management provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by the Principal of Burros Wealth Management, David R. Burros. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Burros Wealth Management and to keep Burros Wealth Management informed of any changes thereto. Burros Wealth Management contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts.

Those clients to whom Burros Wealth Management provides financial planning and/or consulting services will receive reports from Burros Wealth Management summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by Burros Wealth Management.

### **Item 14. Client Referrals and Other Compensation**

Burros Wealth Management is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Burros Wealth Management is required to disclose any direct or indirect compensation that it provides for client referrals. Burros Wealth Management does not have any required disclosures to this Item.

### **Item 15. Custody**

Burros Wealth Management is deemed to have custody over a client's assets when it is authorized to directly debit a client's account for payment of the firm's quarterly management fee. In accordance with applicable custody rules, the *Financial Institutions* recommended by Burros Wealth Management have agreed to send statements to clients, not less than quarterly, indicating all amounts paid to Burros Wealth Management. As stated in Item 5, the firm also sends to clients a duplicate fee invoice, detailing the amounts deducted for payment of the quarterly management fee, where required under applicable state securities laws.

Burros Wealth Management may also send periodic reports to clients, as discussed in Item 13. Clients are advised to carefully review the statements and confirmations sent directly by the *Financial Institutions* and to compare them with any reports received from Burros Wealth Management

### **Item 16. Investment Discretion**

Burros Wealth Management is given the authority to exercise discretion on behalf of clients. Burros Wealth Management is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Burros Wealth Management is given this authority through a power-of-attorney included in the agreement between Burros Wealth Management and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Burros Wealth Management takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The *Financial Institutions* to be utilized.



## Item 17. Voting Client Securities

Burros Wealth Management is required to disclose if it accepts authority to vote client securities. Burros Wealth Management does not vote client securities on behalf of its clients. Clients receive proxies directly from the *Financial Institutions*.

## Item 18. Financial Information

Burros Wealth Management does not require or solicit the prepayment of more than \$500 in fees six months or more in advance. In addition, Burros Wealth Management is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Burros Wealth Management has no disclosures pursuant to this Item.

## Item 19. Requirements for State Registered Investment Advisors

### Principal Executive Officers and Management Persons

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Below is the formal education and business background of Burros Wealth Management's principal executive officer and management person:

#### DAVID R. BURROS, SR. (CRD No. 2164466)

Born 1965

#### Post-Secondary Education

David R. Burros, Sr. has no formal post-secondary education.

#### Recent Business Background

Burros Wealth Management, LLC | Managing Member | July 2008 – Present

### Performance Based Fees

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Neither the firm nor its management persons provide any services for performance based fees, as stated in Item 6.

### Civil and Administrative Proceedings

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Neither the firm nor its management persons have been subject to an award or otherwise found liable in an action involving a violation of any investment related statute.

### Relationships with Issuers

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Neither the firm nor its management persons have a relationship with any issuer of securities.



## **Burros Wealth Management, LLC**

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Prepared by:

