

*Item 1 - Cover Page*

**TOREADOR RESEARCH & TRADING, LLC**

FORM ADV – PART 2A INFORMATION

January 31, 2014

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**This Brochure provides information about the qualifications and business practices of Toreador Research & Trading, LLC (“Toreador”) (CRD No. 140054). If you have any questions about the contents of this Brochure, please contact us at (559) 436-4270. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about Toreador, including a copy of its Form ADV Part 1, is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

***Item 2 - Material Changes To This Brochure Since Its Last Annual Update***

***This is the first Brochure to be produced by Toreador. Prior to January 31, 2014, Toreador was not required to file a Brochure because the firm was exempted from filing pursuant to applicable regulations.***

### ***Item 3***

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#### ***Item 4 - Advisory Business***

Toreador Research & Trading, LLC (“Toreador”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). Individuals associated with Toreador provide advisory services on behalf of the firm. These individuals are appropriately licensed, qualified and authorized to provide advisory services on Toreador’s behalf and are called Investment Adviser Representatives (“Representatives”). Toreador has been offering advisory services since February 2006. Membership interests in Toreador are owned by Paul Blinn and the Applied Finance Group, Ltd. Applied Finance Group is wholly owned by Rafael Resendes and Daniel Obryki. Toreador does not control any other firm. Toreador provides investment management services to open-end management investment companies (mutual funds) and provides investment modeling and research services to Unified Management Accounts (“UMA's”).

##### **Mutual Funds**

Toreador serves as investment adviser to the Torador Core Fund, a series of the Unified Series Trust. Toreador also serves as investment adviser to the Toreador International Fund, a series of the World Funds, Inc. In its capacity as investment adviser to each mutual fund, Torador provides a continuous investment program for the funds, chooses the securities to be purchased and sold for the funds, and has full discretion to execute portfolio transactions on behalf of the funds. Toreador provides these services under written agreements with each fund group, and the agreements are subject to annual review by the Boards of Directors of each fund.

##### **UMA Management**

Toreador provides portfolio modeling and research to UMA providers. Through the program, clients receive investment analysis, allocation recommendations, portfolio composition recommendations, rebalancing recommendations, and buy/sell recommendations. The UMA provider has complete discretion with respect to accepting or rejecting any of the recommendations made by Toreador, and Toreador has no discretion to directly manage any UMA client account.

#### ***Item 5 - Fees and Compensation***

Fees paid to Toreador are for Toreador advisory services only. The fees do not include, for example, the fees charged by third parties such as third-party managers, accountants and attorneys assisting with providing the client with accounting and legal advice. Commissions on transactions and other account fees will also be charged by brokerage firms in accordance with the account’s brokerage firm’s normal commission schedule. See Item 12, Brokerage Practices. Customary commissions on insurance are also not included.

Toreador does not have a fixed fee schedule. Investment advisory fees are negotiated on a case-by-case basis.

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

Toreador does not charge any performance-based fees. All fees are disclosed above.

***Item 7 - Types of Clients/Minimum Account Size***

Toreador makes its advisory services available to mutual funds and UMA Accounts only.

***Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss***

Toreador's security analysis methods include, but are not limited to, fundamental analysis (evaluating securities based upon its historical and projected financial performance); and cyclical analysis (determining the desirability of an issue based upon the status of an issue within the price cycle the security or similar securities have followed historically) All securities analysis methods and strategies, even those used by Toreador may involve a high degree of risk and losses can occur.

Toreador's main sources of information include, but are not limited to, financial newspapers and magazines, research materials prepared itself and by others, corporate rating services, annual reports, prospectuses, public filings and company press releases.

Toreador does not guarantee the results of the advice given. Thus, losses can occur by investing in any security, or by following any strategy, including those recommended or applied by Toreador.

***Item 9 - Disciplinary Information***

Toreador does not have any disciplinary information to report regarding itself or any of its Representatives or other related persons.

***Item 10 - Other Financial Industry Activities and Affiliations***

Certain persons associated with Toreador, including its Representatives, may be registered as securities representatives of Unified Financial Securities, Inc. ("UFSI"), a licensed, limited-service securities broker/dealer. UFSI is a member of the Financial Industry Regulatory Authority ("FINRA"). UFSI serves as the Principal underwriter to various mutual funds, including the Toreador Core Fund.

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

Representatives of Toreador may buy or sell securities for themselves that they also recommend to clients. Where a transaction for a Representative, or an account related to the Representative, is contemplated, a client's transaction is given priority. Toreador has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires such "access persons: to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain

employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also establishes certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

### ***Item 12 - Brokerage Practices***

Toreador has complete discretion to choose the brokers with which it transacts portfolio transactions on behalf of its mutual fund clients. Toreador has no discretion, and in fact is prohibited from, effecting any portfolio transactions on behalf of its UMS clients.

With respect to its mutual fund clients, Toreador is subject to "best execution" requirements, and its brokerage practices are reviewed on a quarterly basis by the Boards of each mutual fund.

Other than as described above with UFSI, Toreador has no affiliations with any broker/dealer. UFSI does not place or execute securities transactions.

Toreador has no "soft dollar" or other direct or indirect compensation arrangement with any broker/dealer.

Toreador does not process transactions through broker/dealers in return for broker/dealers referring new clients to Toreador.

When practicable, Toreador may combine similar client orders into one aggregate order for the purpose of obtaining an average price for all customers participating in the order.

### ***Item 13 - Review of Accounts and Reports***

Clients receiving UMA Account Services, receive reports as determined in advance between the client and Toreador.

Mutual Fund Clients are reviewed daily and reports presented on a quarterly basis.

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

Toreador does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it. Also, as indicated above, the firm does not direct brokerage transactions to any third party, including Service Providers, in return for client referrals.

### ***Item 15 - Custody***

Toreador does not take custody of client funds or securities. These safekeeping services are typically provided to managed accounts only by the brokerage firm processing the securities transactions ordered by Toreador.

To the extent a client receives any account or other investment ownership statement from Toreador recommends the client carefully compare the information in the report to that in the custodian's statements.

### ***Item 16 - Investment Discretion***

Toreador exercises full investment discretion with its mutual fund clients. With such clients, Toreador may select the kind of securities to buy and sell, the amount to buy and sell and, often, the commission rates paid without obtaining specific consent from the client for each trade. Clients should be aware that Toreador may make different recommendations with respect to the same types of securities or insurance products to different advisory clients.

When exercising discretion, Toreador may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and execution. When a block order is executed, the broker/dealer executing the order typically allocates an average execution price to all shares in the block order, which Toreador then allocates to each customer's position within the block on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

Toreador does not execute securities transactions for its UMA clients.

### ***Item 17 - Voting Client Securities***

Toreador votes proxies on behalf of its mutual fund clients. Toreador does not vote proxies on behalf of its UMA clients.

Toreador also does not take any action on legal notices it or a client may receive from issuers of securities held in a client's managed account. However, it is available to answer questions regarding such notices.

### ***Item 18 - Financial Information***

Toreador does not require or solicit fees of more than \$1,200 six months or more in advance, thus no financial statement for Toreador is attached. Toreador does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any clients.