

The Investment Adviser Representatives of CPF Texas are registered representatives with securities offered through LPL Financial, member FINRA/SIPC.

**Item 1 Cover Page**



Registered As

Vestpro Financial Partners, Inc.

Doing Business As: CPF Texas

Registered Investment Adviser

2500 Dallas Parkway – Suite 495

Plano, Texas 75093

(214) 696-2323

**March 31, 2015**

**NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY**

All the material within this Brochure must be reviewed by those who are considering becoming a client of our firm. This Brochure provides information about the qualifications and business practices of CPF Texas, Ltd. doing business as CPF Texas. If you have any questions about the contents of this Brochure, please contact us at (214) 696-2323 or through our website at [www.cpf-texas.com](http://www.cpf-texas.com).

In accordance with federal and state regulations, this Brochure is on file with the appropriate securities regulatory authorities as required. The information provided within this Brochure is not to be construed as an endorsement or recommendation by state securities authorities in any jurisdiction within the United States, or by the United States Securities and Exchange Commission. 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. CPF Texas is registered as an investment adviser in the state of Texas. Registration of a registered investment adviser does not imply any level of skill or training. Additional information about CPF Texas also is available on the SEC's Web Site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 – Material Changes**

Below is a summary of material changes since the last annual amendment filed on March 11, 2014.

- As of December 2014, CPF Texas offers asset management services through CPF Texas as a registered investment adviser.
- As of December 2014, Michael Blackwell no longer serves as a control person and is no longer associated with CPF Texas.
- As of January 23, 2015, the firm assets under management exceeded \$100,000,000 and the firm filed for registration with the SEC. As of January 30, 2015 registration with the SEC was approved and a request to terminate the registration with Texas was filed.

We may further provide other ongoing disclosure information about material changes as necessary. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Disclosure Brochure may be requested by contacting us at (214) 696-2323 or at <http://www.cpf texas.com/contact.html>. We welcome visitors to our Web Site at [www.cpf texas.com](http://www.cpf texas.com) for a comprehensive overview of our firm and the professional services we offer.

Additional information about CPF Texas is also available via the SEC's Web Site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's Web Site also provides information about any persons affiliated with CPF Texas who are registered, or are required to be registered, as investment adviser representatives of CPF Texas.

## **Item 3 – Table of Contents**

### **Part 2A**

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fee and Compensation .....	11
Item 6 – Performance-Based Fees and Side-by-Side Management .....	15
Item 7 – Types of Clients .....	15
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	15
Item 9 – Disciplinary Information .....	20
Item 10 – Other Financial Industry Activities and Affiliations .....	20
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	20
Item 12 – Brokerage Practices .....	21
Item 13 – Review of Accounts .....	23
Item 14 – Client Referrals and Other Compensation .....	24
Item 15 – Custody .....	24
Item 16 – Investment Discretion .....	24
Item 17 – Voting Client Securities .....	25
Item 18 – Financial Information .....	25
Item 19 – Requirements for State-Registered Advisers .....	25

#### **Item 4 – Advisory Business**

Vestpro Financial Partners, Inc. dba CPF Texas (hereinafter "CPF Texas") is an investment adviser based in Plano, Texas. We are a corporation under the laws of the State of Texas. We have been providing investment advisory services since 1989. Mark S. Schupbach is the main owner.

In 1985, Mark founded CPF Texas, a private financial consulting firm in Dallas, Texas. Clients benefit from his more than 34 years of financial experience and expertise. He is especially adept at helping clients draw out their values and prioritizing their objectives with creative problem solving. Mark received his undergraduate degree in Business at Bethany College in Kansas in 1971, received his Chartered Financial Consultant (ChFC®) in 1984 and Chartered Life Underwriter (CLU®) in 1980, both designations from the American College in Pennsylvania. Mark has been involved with Bible teaching ministries for the past 18 years including Bible Study Fellowship, and in 2003, he founded Next Step, a 501(c)3 non-profit Bible study ministry.

Mark has been married to Marty since 1969, and they have three married daughters and six grandchildren. They currently reside in Plano, Texas.

Chris Lipper, CFP®, CIMA®, serves as the President and Chief Investment Officer. Chris grew up in Fort Worth. He earned a BA and an MBA, both from Baylor University. He leads the advisory team that develops and implements financial strategies for individuals and small businesses. He is active with Frisco Young Life and serves on the Board of Directors for InTouch Credit Union. Chris lives in Frisco, Texas, with his wife Kristie and their children, Joshua and Jessica.

Rudy Fernandez serves as the Chief Financial Officer. Rudy, a native Texan, received a BBA in Accounting from Sam Houston State University. He has provided corporate accounting management for public and privately held corporations for more than 40 years. Rudy served in the United States Army and is active in Bible Study Fellowship. He is married to Vicki and has two children and twin grandsons.

Tom Knippa serves as the Chief Planning Officer. Tom, a native Texan, earned a BBA in Finance from the University of Houston and an MBA in Financial Planning from the University of Dallas. Before joining CPF Texas, Tom was a Bank Examiner with the FDIC and served in the U.S. Navy. He is married to Denise and has two sons, Brady and Grant, both of whom are involved in the Coppell Band program.

Adam Spence, CFP®, serves as a Client Adviser. Adam is from Dallas, Texas. He graduated from Baylor University with a Bachelor of Business Administration degree in Finance and Real Estate. Adam joined CPF Texas directly following his graduation. Adam is married to Taryn and has two children, Walker B. and Ayla.

Lesli Harlan serves as the Chief Compliance Officer as well as a Client Services Associate. Lesli grew up just south of Atlanta, GA. She received a Bachelor of Science in International Business with a minor in Spanish from the University of Georgia. She joined the CPF Texas team in August of 2011. Prior to working at CPF Texas, Lesli worked with LPL Financial. She has completed her series 6, 7, 63 and 65 licenses. Lesli is married to David, and they currently live in

Allen with their dog, Dooley.

Currently, CPF Texas offers the following investment advisory services, personalized to each individual client:

- ✓ Financial Planning & Consulting Services
- ✓ Hourly Consulting Services
- ✓ Asset Management

The following paragraphs describe our services. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to CPF Texas and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term "Associated Person" throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

### **Financial Planning and Consulting Services**

We offer broad-based, modular, and consultative financial planning services to our clients and prospective clients. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Customized plans are segmented into the following service offerings:

1. **Lifetime Income Plan** - focus is on determining lifetime income needs and recommending strategies for potentially meeting income objectives.
2. **Comprehensive Lifetime Income Plan** - a comprehensive review of all areas that impact a Client's financial life.
3. **Strategic Tax and Income Plan** - a step beyond the comprehensive plan that also looks at business transition issues, generational estate planning techniques, and tax efficiency strategies.

4. **Progress Program** - begins in year two of the planning process for the purpose of monitoring the progress toward reaching the Client's stated financial goals and objectives. Includes ongoing access to our planning team for consulting services as well as annual goals review and financial plan updates as needed.

The financial plan may also include generic recommendations as to general types of investment products or specific securities which may be appropriate for the Client to purchase given his/her financial situation and objectives. The Client retains the right to execute securities through the broker/dealer of their choice. However, if the Client desires to purchase securities or advisory services in order to implement his/her financial plan, CPF Texas may make a variety of products and services available through its Investment Adviser Representatives. This may result in the payment of normal and customary commissions, advisory fees or other types of compensation to CPF Texas and the Investment Adviser Representative as a Registered Representative of LPL Financial.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Financial planning is made available to all clients as a comprehensive service that may or may not result in a written plan. The amount of time required per plan can vary greatly depending on the scope and complexity of an individual engagement. A particular client's financial plan will include the relevant types of planning specific to their needs and objectives such as:

- ✓ **Retirement** – planning an investment strategy with the objective of providing inflation-adjusted income for life.
- ✓ **College / Education** – planning to pay the future college / education expenses of a child or grandchild.
- ✓ **Major Purchase** – evaluation of the pros and cons of home ownership verses renting as well as buying or leasing a car, for example.
- ✓ **Divorce** – planning for the financial impact of divorce such as change in income, retirement benefits and tax considerations.
- ✓ **Insurance Needs** – planning for the financial needs of survivors to satisfy such financial obligations as housing, dependent child care and spousal arrangements as well as education.

- ✓ **Final Expenses** – planning to leave assets to cover final expenses such as funeral, debts and potential business continuity.
- ✓ **Estate Planning** – planning that focuses on the most efficient and tax friendly option to pass on an estate to a spouse, other family members of a charity.
- ✓ **Cash Flow / Budget Planning** – planning to manage expenses against current and projected income.
- ✓ **Wealth Accumulation** – planning to build wealth within a portfolio that takes into consideration risk tolerance and time horizon.
- ✓ **Business Succession** – planning for the continuation of a business in as smooth a transition as possible with the use of buy-sell agreements, key-man insurance and engaging independent legal counsel as needed.
- ✓ **Tax Planning** – planning a tax efficient investment portfolio to maximize deductions and off-set losses.
- ✓ **Investment Planning** – planning an investment strategy consistent with particular objectives, time horizons and risk tolerances.

Consulting services are similar to financial planning and also available to all clients, but they tend to be more specific to a particular area of interest, less comprehensive and on a straight hourly basis verses a flat fee based on an anticipated number of hours.

A conflict exists between the interests of the investment adviser and the interests of the client. Depending on the type of account that could be used to implement a financial plan, such compensation may include (but is not limited to) advisory fees, commissions; mark-ups and mark-downs; transaction charges; confirmation charges; small account fees; mutual fund 12b-1 fees; mutual fund sub-transfer agency fees; hedge fund, managed futures, and variable annuity investor servicing fees; retirement plan fees; fees in connection with an insured deposit account program; marketing support payments from mutual fund, annuity and insurance sponsors; administrative servicing fees for trust accounts; referral fees; compensation for directing order flow; and bonuses, awards or other things of value offered by CPF Texas to the Investment Adviser Representative. To the extent that the Investment Adviser Representative recommends that the Client invest in products and services that will result in compensation being paid to CPF Texas and the Investment Adviser Representative, this presents a conflict of interest. This compensation to the Investment Adviser Representative and CPF Texas may be more or less depending on the product or service that the Investment Adviser Representative recommends. Therefore, the Investment Adviser Representative does have a financial incentive to recommend that a financial plan be implemented using a certain product or service over another product or service.

The Investment Adviser Representative may receive additional cash or non-cash compensation from advisory product sponsors. Such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives.

### **Hourly Consulting Services**

CPF Texas, through its investment adviser representatives, may provide consulting services on an hourly basis. These services may include, as selected by the client in the consulting agreement, advice regarding tax planning, investment planning, retirement planning, estate planning, cash flow/budget planning, business planning, education planning, and personal financial planning. The services take into account information collected from the client such as financial status, investment objectives and tax status, among other data. The investment adviser representatives may or may not deliver to the client a written analysis or report as part of the services. The investment adviser representatives tailor the hourly consulting services to the individual needs of the client based on the investment objective chosen by the client. The engagement terminates upon final consultation with the client. The hourly fee for these services is negotiable up to \$400.

### **Types of Investments**

We primarily offer advice on equity securities, corporate debt securities, certificates of deposit, municipal securities, investment company securities, U.S. Government securities, structured notes, options contracts on securities and interest in partnerships investing in real estate, oil and gas interests.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

### **Fee-based Advisory Services**

CPF Texas provides fee based investment advisory services for compensation primarily to individual clients and high-net worth individuals based on the individual goals, objectives, time horizon, and risk tolerance of each client. Portfolio management services include, but are not limited to, the following:

- |                       |                                |
|-----------------------|--------------------------------|
| ✓ Investment strategy | ✓ Personal investment policy   |
| ✓ Asset allocation    | ✓ Asset selection              |
| ✓ Risk tolerance      | ✓ Regular portfolio monitoring |

Adviser representatives are restricted to providing services and charging fees based in accordance with the descriptions detailed in this document and the account agreement. However, the exact service and fees charged to a particular client are dependent upon the representative that is working with the client. Advisers are instructed to consider the individual



needs of each client when recommending an advisory platform. Investment strategies and recommendations are tailored to the individual needs of each client.

The individuals associated with CPF Texas are appropriately licensed and authorized to provide advisory services on behalf of CPF Texas. Individuals associated with CPF Texas are also registered representatives of LPL Financial, an SEC registered broker/dealer, a member of the Financial Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). Any securities transactions shall be directed to LPL Financial for execution. CPF Texas and LPL Financial are not affiliated legal entities.

Transactions in LPL advisory program accounts are generally effected through LPL as the executing broker/dealer.

CPF Texas through its investment adviser representatives provides ongoing investment advice and management on assets in the client's custodial Strategic Wealth Management (SWM) account held at LPL Financial. Strategic Wealth Management is the name of the custodial account offered through LPL to support investment advisory services provided by CPF Texas to our clients. More specific account information and acknowledgements are further detailed on the account application.

Investment adviser representatives provide advice on the purchase and sale of various types of investments, such as mutual funds, exchange-traded funds ("ETFs"), variable annuity subaccounts, real estate investment trusts ("REITs"), equities, and fixed income securities. The advice is tailored to the individual needs of the client based on the investment objective chosen by the client in order to help assist clients in attempting to meet their financial goals. Accounts are reviewed on a regular basis and rebalanced as necessary according to each client's investment profile.

The minimum account is generally \$250,000; however, certain allocation programs can be opened with a lesser account minimum.

Neither the firm nor any investment adviser representative are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or a representative of the foregoing.

CPF Texas offers asset management on a discretionary basis. As of March 31, 2015 the firm has \$200,000,000 in assets under management.

### **Optimum Market Portfolios Program (OMP)**

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds Class I shares. Under OMP, the client will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. Adviser will assist the client in determining the appropriateness of OMP for the client and assist the client in setting an appropriate investment objective. Adviser will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the

client's investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account.

A minimum account value of \$15,000 is required for OMP.

### **Personal Wealth Portfolios Program (PWP)**

PWP offers clients an asset management account using asset allocation model portfolios designed by LPL. Adviser will have discretion for selecting the asset allocation model portfolio based on client's investment objective. Adviser will also have discretion for selecting third party money managers (PWP Advisers) or mutual funds within each asset class of the model portfolio.

A minimum account value of \$250,000 is required for PWP.

### **Model Wealth Portfolios Program (MWP)**

MWP offers clients a professionally managed mutual fund asset allocation program. CPF Texas investment adviser representatives will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. The Adviser will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected.

The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds (including in certain circumstances exchange traded funds) and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

In the future, the MWP program may make available model portfolios designed by strategists other than LPL's Research Department. If such models are made available, Adviser will have discretion to choose among the available models designed by LPL and outside strategists.

A minimum account value of \$25,000 is required for MWP.

### **Manager Access Select Program**

Manager Access Select provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. Adviser will assist client in identifying a third party portfolio manager (Portfolio Manager) from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages client's assets on a discretionary basis. Adviser will provide initial and ongoing assistance regarding the Portfolio Manager selection process.

A minimum account value of \$100,000 is required for Manager Access Select; however, in certain instances, the minimum account size may be lower or higher.

The account fee charged to the client for each advisory program is negotiable, subject to the following account fees:

Total Assets Under Management	Annual Fee
\$250,000- \$499,999	1.50%
\$500,000- \$999,999	1.25%
\$1,000,000-\$1,999,999	1.10%
\$2,000,000- \$2,999,999	1.00%
\$3,000,000- \$4,999,999	0.90%
\$5,000,000- \$9,999,999	0.80%
Over \$10,000,000	Negotiable

Account fees are payable quarterly in advance. Clients may terminate the agreement without penalty for a full refund of CPF Texas's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days written notice.

#### **Item 5 – Fees and Compensation**

The published financial planning fee schedule lists a minimum and maximum fee range for each service. We will quote a fixed fee within the stated range upon review of your specific service needs.

- ✓ Lifetime Income Plan - Fee range: \$1,500 - \$2,000.
- ✓ Comprehensive Lifetime Income Plan - Fee range: \$3,000 - \$5,000.
- ✓ Strategic Tax and Income Plan - Fee range: \$4,500 - \$9,000.
- ✓ Progress Program - Fee range: \$1,200 - \$4,000 per year.
- ✓ Additional Services - begins with a rate of \$250 per hour and is negotiable.

Alternatively, we may charge an hourly fee up to \$400 for financial planning services, which is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee.

We require that you pay 50% of the fee in advance and the remaining portion upon the completion of the services rendered. We will not require prepayment of a fee greater than \$500 more than six months in advance.

CPF Texas' fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investments and other third parties such as fees

charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to CPF Texas' fees.

Management personnel, associated persons and other related persons of our firm are licensed as registered representatives of a broker-dealer and licensed as insurance agents or brokers. In their separate capacities, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

The hourly consulting fee will be based on the type of services to be provided, experience and expertise, and the sophistication and bargaining power of the client. The maximum hourly fee to be charged any client will not exceed \$250 without extenuating circumstances and approval by the Chief Compliance Officer.

In the event that a client desires, a client can engage certain representatives of the firm, in their individual capacities as registered representatives of LPL Financial, an SEC registered and FINRA/SIPC member broker-dealer, to implement investment recommendations on a commission basis. In the event a client chooses to purchase investment products through LPL Financial, LPL Financial will charge brokerage commissions to effect securities transactions, a portion of which LPL Financial shall pay to the firm's representatives, as applicable. The brokerage commissions charged by LPL Financial may be higher or lower than those charged by other broker/dealers.

In addition, LPL Financial, as well as the firm's representatives, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company to LPL Financial during the period that the client maintains the mutual fund investment. Investment Adviser Representatives of CPF Texas do not receive 12b-1 fees.

The recommendation that a client purchase a commission product from LPL Financial presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions received rather than on a particular client's need. The firm's Chief Compliance Officer, Lesli Harlan, is available to address any questions that a client or prospective client may have regarding this conflict of interest.

LPL Financial charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at

nominal transaction charges. LPL Financial commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by LPL Financial may be higher or lower than those charged by other custodians and broker/dealers. Clients may direct their brokerage transactions at a firm other than LPL Financial. Advisory fees are generally not reduced to offset commissions or markups.

When dealing with investment advisory clients and services, investment adviser representatives have an affirmative duty of care, loyalty, honesty and good faith to act in the best interests of its clients. Investment adviser representatives should fully disclose all material facts concerning any conflict that does arise with these clients.

The Firm and Investment Adviser Representatives must abide by honest and ethical business practices including, but not be limited to:

- ✓ Not inducing trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account;
- ✓ Making recommendations with reasonable grounds to believe that they are appropriate based on the information furnished by the client;
- ✓ Placing discretionary orders only after obtaining client's written trading authorization contained within the advisory agreement or via separate amendment;
- ✓ Not borrowing money or securities from, or lending money or securities to a client;
- ✓ Not placing an order for the purchase or sale of a security if the security is not registered or if the security or transaction is not exempt from registration in the specific state;

The Firm and the Investment Adviser Representative will:

- ✓ Allocate securities in a manner that is fair and equitable to all clients
- ✓ Not effect agency-cross transactions for client accounts

All Investment Adviser Representatives of CPF Texas are required to sign an acknowledgment of their understanding and acceptance of these terms.

When the firm's representatives sell an investment product on a commission basis, the firm does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, CPF Texas representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that is received by LPL Financial as previously discussed). However, a client may engage the firm to provide investment management services for an advisory fee and also purchase an investment product from the firm's representatives on a separate commission basis.

Fees for customized and participant advisory services are typically based on the value of assets under management and will vary by engagement. The amount of the fee will be set out in the client agreement executed by the client at the time the relationship is established. The advisory fee is negotiable between the investment adviser representative and the client and is payable either in advance or in arrears as described in the client agreement. LPL, on behalf of the adviser, is responsible for calculating and deducting advisory fees from client accounts held at LPL. Client will provide LPL with written authorization to deduct fees and pay the advisory fees to the RIA firm (See Item 15 – Custody for more details). The advisory fee is paid directly by LPL to the RIA firm (not the individual). The RIA firm will then share the advisory fee with its advisers/associated persons. A custom program account may be terminated according to the client agreement. If the client agreement provides for payment in advance, the agreement will state how the client can obtain a refund of any pre-paid fee if the agreement is terminated before the end of the billing period.

In certain cases, LPL may serve as the broker/dealer on transactions in a customized advisory account. In such cases, LPL may charge the client transaction charges in connection with trade execution through LPL. The transaction charges will be clearly stated in the client agreement executed by the client at the time the relationship is established. If the custom advisory services apply to variable annuities for which the investment adviser representative receives trail compensation, such trail fees will be used to offset the advisory fee.

Adviser receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the size of the account, changes in its value over time, the ability to negotiate fees or commissions and the number of transactions, the amount of this compensation may be more or less than what the adviser would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

LPL serves as program sponsor, investment adviser and broker/dealer for the LPL advisory programs. CPF Texas and LPL may share in the account fee and other fees associated with program accounts. Associated persons of adviser may also be registered representatives of LPL.

Lower fees for comparable services may be available from other sources.

Investment adviser representatives may also be licensed insurance agents. In the capacity of an insurance agent, they may recommend the purchase of certain insurance-related products on a commission basis.

The purchase of a securities and/or insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received rather than on a particular client's need. No client is under any obligation to purchase any commission products from investment adviser representative of the firm. Clients may purchase investment products recommended by investment advisory representatives through other, non-affiliated broker/dealers or insurance agents. Such conflicts are subject to review by the Chief Compliance Officer for consistency with the firm's Code of Ethics.

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

Neither the firm nor any supervised persons accepts performance-based fees, fees based on a share of capital gains or fees based on the capital appreciation of assets. CPF Texas does not provide advisory services to such clients as a hedge fund or other pooled investment vehicles.

### **Item 7 – Types of Clients**

The advisory services offered by CPF Texas are available for individuals, individual retirement accounts (“IRAs”), banks and thrift institutions, pension and profit sharing plans, including plans subject to Employee Retirement Income Security Act of 1974 (“ERISA”), trusts, estates, charitable organizations, state and municipal government entities, corporations and other business entities.

However, the firm generally provides investment advice to individuals and high net worth individuals as well as trusts, estates, foundations, charitable organizations, corporations and other business entities. The firm is currently not working with other types of clients or pursuing them as prospects but would not turn away any opportunities that may arise.

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

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities or investments.

The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The firm uses a combination of fundamental and technical analysis, as well as cyclical analysis in order to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long- or short-term trading strategy based on the particular objectives and risk tolerance of a particular client.

- ✓ **Fundamental Analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.



- ✓ **Technical Analysis** involves the analysis of past market data; primarily price and volume. Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.
- ✓ **Cyclical Analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security. Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.
- ✓ **Charting Analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- ✓ **Long-Term Purchases** are securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- ✓ **Short-Term Purchases** are securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- ✓ **Options Trading/Writing** is a securities transaction that involves buying or selling (writing) an option. If you write an option and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Please note, investing in securities involves risk of loss that clients should be prepared to bear. There are different types of investments that involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal to any specific performance level(s). Past performance is not indicative of future results.



## Risks of Methods of Analysis

- ✓ **Charting and Technical Analysis** - The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security, and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.
- ✓ **Fundamental Analysis** - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Our firm uses a variety of accounting methods for calculating the cost basis of your investments, including LIFO, FIFO and selected tax lots. You are responsible for contacting your tax adviser to determine if the accounting method used for your account is the right choice for you. If your tax adviser believes another accounting method is more advantageous, please provide written notice to our firm immediately, and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

The firm's methods of analysis and investment strategies do not represent any significant or unusual risks; however, all strategies have inherent risks and performance limitations such as:

- ✓ **Market Risk** - the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- ✓ **Interest Rate Risk** - the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be

more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

- ✓ **Credit Risk** - the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- ✓ **Mutual Funds** - investing in mutual funds carries the risk of capital loss, and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned below).
- ✓ **Equity** - investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.
- ✓ **Fixed Income** - investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk (as interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.). Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.
- ✓ **Exchange Traded Funds (ETFs)** - an ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares,” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which owns a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.
- ✓ **Annuities** - are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirements or other long-term goals. An annuity is not a life insurance

policy. Variable annuities are designed to be long-term investments to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

- ✓ **Non-U.S. Securities** - present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.
- ✓ **UIT Securities** - designed for investors who can assume the risks associated with equity or fixed-income investments and may not be appropriate for investors seeking capital preservation or high current income. There is no assurance that UIT securities will meet their objective(s). There may be special risks if a portfolio is concentrated within a specific sector of the market. A UIT may contain a limited number of securities, which may make it more susceptible to price volatility than a portfolio diversified among a greater number of holdings. UITs are not actively managed and do not sell securities in response to ordinary market fluctuations. Instead, securities will not usually be sold until termination, which could mean that the sale price of the trust securities may not be the highest price at which these securities traded during the life of the trust.
- ✓ **Structured Notes** - also known as market-linked notes, are generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances and/or foreign currencies, and to a lesser extent, swaps. Structured notes are usually issued by investment banks or affiliates thereof. They have a fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some notes use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other notes use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured notes is a "principal guarantee" function, which offers protection of principal if held to maturity. However, these notes are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the issuing company. Investing in structured notes involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and other events that are difficult to predict.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an advisory firm or the integrity of a firm's management.

Any such disciplinary information for the company and the company's investment adviser representatives would be provided herein and publicly accessible by selecting the Investment Adviser Search option at <http://www.adviserinfo.sec.gov>.

There are no legal or disciplinary events to disclose.

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

Investment adviser representatives may also be registered representatives of LPL Financial, an unaffiliated SEC registered and FINRA/SIPC member broker/dealer. Clients may choose to engage a registered investment adviser in their capacity as a registered representative of the unaffiliated LPL Financial broker/dealer to implement investment recommendations on a commission basis.

Representatives of our firm are insurance agents/brokers. They may offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interest of the client. Such potential conflicts of interest are subject to review by the Chief Compliance Officer.

Neither CPF Texas nor any of the management persons are registered or has a registration pending to register as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

Certain associated persons of CPF Texas are registered representatives of LPL Financial. As a result of this relationship, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about CPF Texas's clients, even if client does not establish any account through LPL. If you would like a copy of the LPL Financial privacy policy, please contact Lesli Harlan at (214) 696-2323.

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

CPF Texas maintains a Code of Ethics, which serves to establish a standard of business conduct for all employees that are based upon fundamental principles of openness, integrity, honesty and trust.

The code of ethics includes guidelines regarding personal securities transactions of its employees and investment adviser representatives. The code of ethics permits employees and investment adviser representatives or related persons to invest for their own personal accounts in the same or

different securities that an investment adviser representative may purchase for clients in program accounts. This presents a potential conflict of interest because trading by an employee or investment adviser representatives in a personal securities account in the same or different security on or about the same time as trading by a client could potentially disadvantage the client. CPF Texas addresses this conflict of interest by requiring in its code of ethics that employees and investment adviser representatives report certain personal securities transactions and holdings to the Chief Compliance Officer for review.

An investment adviser and the investment adviser representatives are considered fiduciaries. As a fiduciaries, it is their responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction being implemented for an advisory account, thereby preventing an employee from benefiting from transactions placed on behalf of advisory accounts.

Neither CPF Texas nor a related person recommends to clients, or buys or sells for client accounts, securities in which they or a related person have a material financial interest.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting us at the phone number listed on the cover of this brochure.

### **Item 12 – Brokerage Practices**

CPF Texas receives support services and/or products from LPL Financial, many of which assist CPF Texas to better monitor and service program accounts maintained at LPL Financial. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and they may include the following:

- ✓ investment-related research
- ✓ pricing information and market data
- ✓ software and other technology that provide access to client account data, compliance and/or practice management-related publications
- ✓ consulting services
- ✓ attendance at conferences, meetings and other educational and/or social events

- ✓ marketing support
- ✓ computer hardware and/or software
- ✓ other products and services used by Adviser in furtherance of its investment advisory business operations

These support services are provided to CPF Texas based on the overall relationship between CPF Texas and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involve the execution of client transactions as a condition to the receipt of services. CPF Texas will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the CPF Texas to LPL Financial or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. Our firm does not have the discretionary authority to determine the broker/dealer to be used or the commission rates to be paid; clients may execute securities transaction at the broker/dealer of their choice.

CPF Texas has an arrangement with LPL Financial. LPL Financial offers to independent investment advisers non-soft dollar services which include custody of securities, trade execution, clearance and settlement of transactions.

LPL Financial may make certain research and brokerage services available at no additional cost to our firm. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by LPL Financial may include research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by LPL Financial to our firm in the performance of our investment decision-making responsibilities.

Although the non-soft dollar investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

As a result of receiving the services CPF Texas has an incentive to continue to use or expand the use of LPL Financial services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with LPL, and we have determined that the relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

LPL Financial charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. LPL Financial commission rates are generally discounted from



customary retail commission rates. However, the commission and transaction fees charged by LPL Financial may be higher or lower than those charged by other custodians and broker/dealers.

Clients may pay a commission to LPL Financial that is higher than another qualified broker/dealer might charge to effect the same transaction where we determine in good faith that the commission is 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 broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. We routinely recommend that a client directs us to execute through a specified broker-dealer. Our firm recommends the use of LPL Financial. Each client that chooses LPL Financial will be required to establish an account if not already done. Please note that not all advisers have this requirement.

Clients may direct their brokerage transactions at a firm other than LPL Financial. However, we may be unable to achieve more favorable executions of client transactions. Client-directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

### **Item 13 – Review of Accounts**

For those clients to whom CPF Texas provides investment supervisory services, account reviews are conducted on an ongoing basis by Lesli Harlan, the Chief Compliance Officer. All investment supervisory clients are advised that it remains their responsibility to advise CPF Texas of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with their investment adviser representative on an annual basis.

Lesli Harlan, the Chief Compliance Officer, may also conduct account reviews based on the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and by client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. CPF Texas may also provide a written periodic report summarizing account activity and performance.

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

CPF Texas receives an economic benefit from LPL Financial in reimbursement for marketing related expenses. Please see detailed discussion of the categories of marketing related expenses and potential conflicts of interest in Item 12 Brokerage Practices.

CPF Texas and employees receive additional compensation from product sponsors which is a conflict of interest. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings with investment adviser representative, client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors may also pay for, or reimburse CPF Texas for the costs associated with, education or training events that may be attended by CPF Texas employees and investment adviser representatives and for CPF Texas sponsored conferences and events.

However, as fiduciaries, Investment Adviser Representatives of CPF Texas will act in the client's best interest.

### **Item 15 – Custody**

CPF Texas does not have actual custody of client funds. LPL Financial will serve as the custodian of client assets on behalf of CPF Texas. CPF Texas may also provide advisory services on assets held at different third party custodians.

LPL Financial, as the custodian, sends statements at least quarterly to clients showing all disbursements in account including the amount of the advisory fees paid to adviser, the value of client assets upon which adviser's fee was based, and the specific manner in which adviser's fee was calculated. Clients provide written authorization to adviser permitting LPL Financial to deduct fees from client advisory account. LPL Financial calculates the advisory fees and deducts them from client's account every quarter.

CPF Texas urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

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

The client can determine to engage CPF Texas to provide investment advisory services on a discretionary basis. Prior to CPF Texas assuming discretionary authority over a client's account, the client shall be required to execute an *Advisory Agreement*, naming CPF Texas as the client's limited agent granting CPF Texas full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.



**Item 17 – Voting Client Securities**

CPF Texas does not vote client proxies, but third party money managers selected or recommended by our firm may vote proxies for clients. Clients will otherwise receive their proxies or other solicitations directly from their custodian. Clients may contact CPF Texas at (214) 696-2323 to discuss any questions they may have with a particular solicitation.

**Item 18 – Financial Information**

CPF Texas does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

There are no financial conditions that are reasonably likely to impair the firm's ability to meet contractual commitments to clients. At no time has CPF Texas been the subject of a bankruptcy petition.