

**Item 1 – Cover Page  
Part 2A of Form ADV**

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**March 22, 2023**

**This Brochure provides information about the qualifications and business practices of Erguz, LLC. If you have any questions about the contents of this Brochure, please contact us using the information listed above. 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.**

**Erguz, LLC is a registered investment advisor with the SEC. Registration of an investment advisor does not imply any certain level of skill or training.**

**Additional information about Erguz, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable CRD number for Erguz is 168009.**

## **Item 2 – Material Changes**

There have been no material changes since our last updating amendment in March 2022.

### **Item 3 – Table of Contents**

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## **Item 4 – Advisory Business**

### **A. Description of the Advisory Firm**

Erguz, LLC (“Erguz”), was formed on July 5, 2013, and is based in the Woodlands, Texas. Erguz has been providing investment advisory services since 2013. Javier Guzman is the owner and managing member of Erguz. He also serves as the Chief Compliance Officer.

### **B. Types of Advisory Services**

#### **ASSET MANAGEMENT**

Erguz offers asset management services to advisory Clients. Erguz will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors.

#### **Discretionary**

When the Client elects to use Erguz on a discretionary basis, the Client will sign a limited trading authorization or equivalent allowing Erguz to determine the securities to be bought or sold and the amount of the securities to be bought or sold. Erguz will have the authority to execute transactions in the account without seeking Client approval on each transaction.

#### **Non-Discretionary**

When the Client elects to use Erguz on a non-discretionary basis, Erguz will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, Erguz will obtain prior Client approval on each and every transaction before executing any transaction. At the current time, all clients of Erguz are managed on a discretionary basis.

#### **SUBADVISORY SERVICES**

Erguz may act as a Sub-Advisor to other non-affiliated investment advisors who hire Erguz to manage a portion or all of their Client’s portfolio. The non-affiliated investment advisors must have discretionary authority over the account and the ability to delegate that discretionary authority to Erguz. Erguz will manage the assets according to agreed upon strategies between the non-affiliated investment advisor and Erguz.

At the current time, Erguz offers sub-advisory services to an advisory firm that, while non-affiliated, is owned by his father.

### **C. Client-Tailored Services and Client-Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. These restrictions may, however, prohibit engagement with Erguz.

### **D. Wrap Fee Programs**

Erguz does not participate in a Wrap Program.

E. Amounts Under Management

As of December 31, 2022, Erguz provides management services for:

<b>Discretionary Assets:</b>	<b>Non-Discretionary Assets:</b>
\$580,000,000	\$0

**Item 5 – Fees and Compensation**

A. Fee Schedule

ASSET MANAGEMENT

Erguz offers asset management services to advisory Clients. Erguz charges an annual investment advisory fee based on the total assets under management as follows:

<b>Assets Under Management</b>	<b>Annual Fee</b>
\$0 - \$10,000,000	1.00%-.50%%
Over \$10,000,000	.50%-.05%

This is a tiered or breakpoint fee schedule, meaning the entire account is charged the same management fee. The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed quarterly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous billing period. If margin is utilized, the fees will be billed based on the net asset value of the account. Lastly, please note that Erguz may group certain related Client accounts, often known as “householding”, for the purposes of achieving the minimum account size and determining the annualized fee.

SUB-ADVISORY SERVICES FEES

Fees will be charged on the total assets under management that the third-party unaffiliated investment advisor brings to Erguz. Erguz is compensated directly by the third-party unaffiliated investment advisor with a portion of their investment management fee, as per the duly executed Sub-Advisory services agreement. Third party unaffiliated investment advisor who engage Erguz as a Sub-Advisor shall be responsible for billing their Clients and collecting all fees.

All fees are withdrawn from the Client’s account unless otherwise noted. TPM will receive written authorization from the Client to deduct advisory fees from their account held by a qualified custodian. TPM will pay Erguz their portion of the fees. Erguz does not have access to deduct Client fees.

B. Payment of Fees

Asset Management Fees may be deducted directly from the Client’s Account. For fees to be deducted directly from Client’s account, clients must provide their respective custodian with written authorization to have the fees deducted from the account and paid to the Advisor. This is typically done via a Letter of Authorization (LOA). Clients may also pay fees directly to Erguz via check or other method. All clients receive a billing statement/invoice from Erguz.

Sub-Advisor Fees are typically remitted to Erguz from the non-affiliated investment advisor but there may be instances where they are deducted directly from the client's account utilizing a letter of authorization (LOA).

Erguz, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

For all services, Clients may terminate their engagement with Erguz within five (5) business days of signing an Agreement with no obligation and without penalty. After the initial (5) business days, the Agreement may be terminated by Erguz with thirty (30) days written notice to Client and by the Client at any time with written notice to Erguz. For accounts opened or closed mid-billing period, fees will be prorated based on the day's services are provided during the given period. All unpaid earned fees will be due to Erguz. Additionally, all unearned fees will be refunded to the Client. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

C. Additional Fees

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options, margin interest, and exchange-traded funds. Mutual funds, money market funds, and exchange-traded funds may also charge internal management fees, which are disclosed in the fund's prospectus. Erguz does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to Erguz. For more details on the brokerage practices, see Item 12 of this brochure.

D. Prepayment of Fees

Erguz does not expect Clients to prepay fees.

E. External Compensation for the Sale of Securities

Erguz does not receive any external compensation from the sale of securities.

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

Fees are not based on a share of the capital gains or capital appreciation of managed securities. Erguz does not use a performance-based fee structure nor "side-by-side" management because of the conflict of interest. Performance based compensation may create an incentive for Erguz to recommend an investment that may carry a higher degree of risk to the Client.

### **Item 7 - Types of Clients & Account Minimums**

Erguz's Clients are generally high net-worth individuals. Client relationships vary in scope and length of service.

Erguz requires a minimum account size of \$1,000,000 to enter into an Advisory Agreement. However, Erguz retains the discretion to lower or waive said minimum.

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

### A. Methods of Analysis and Investment Strategies

Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Security analysis methods may include:

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 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 assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 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.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the SEC.

### B. Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to Erguz. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

### C. Risks of Investments and Strategies Utilized

**Investing in securities involves risk of loss that Clients should be prepared to bear. Erguz's investment approach constantly keeps the risk of loss in mind. Investors may face the following investment risks:**

**General Investment and Trading Risks.** Clients may invest in securities and other financial instruments using strategies and investment techniques with significant risk characteristics. The investment program utilizes such investment techniques as option transactions, margin transactions, short sales, leverage, and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which a Client may be subject.

**Interest-rate Risk.** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Inflation Risk.** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.

**Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Reinvestment Risk.** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

**Management Risk.** The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.

**Business Succession Risk.** Erguz is currently solely owned and operated by its sole advisor, Javier Guzman. Should Mr. Guzman become incapacitated in any way, depending on the level of incapacity, clients may have to find a new advisor to manage their accounts. All clients can currently access their assets directly with their individual custodians so should keep custodial contact information available.

**Cybersecurity Risk.** Erguz and its service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting Erguz and its service providers may adversely impact Clients. For instance, cyberattacks may interfere with the processing of transactions, cause the release of private information about Clients, impede trading, subject Erguz to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which Clients may invest in, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions. Cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damages, and loss from damage or interruption of systems. Although Erguz has established its systems to reduce the risk of these incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that Erguz does not directly control the cybersecurity measures and policies employed by third party service providers.

**Options Trading.** The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

**Exchange-Traded Funds.** ETFs are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the



risk that their prices may not correlate perfectly with changes in the underlying reference units; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable.

**Mutual Fund Risks.** An investment in mutual funds could lose money over short or even long periods. A mutual fund's share price and total return are expected to fluctuate within a wide range, like the fluctuations of the overall stock market.

**Common Stocks and Equity-Related Securities.** Certain ETFs or mutual funds hold common stock. Prices of common stock react to the economic condition of the company that issued the security, industry and market conditions, and other factors which may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer's actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly, the value of other equity-related securities, including preferred stock, warrants, and options may also vary widely.

**Small- and Mid-Cap Risks.** Certain ETFs and mutual funds hold securities of small- and mid-cap issuers. Securities of small-cap issuers may present greater risks than those of large-cap issuers. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses, and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts, and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments, and to market rumors than are the market prices of large-cap issuers.

**Futures, Commodities, and Derivative Investments.** Certain ETFs and mutual funds hold commodities, commodities contracts, and/or derivative instruments, including futures, options and swap agreements. The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts, and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options, and swap agreements also depends upon the price of the commodities underlying them. In addition, Client assets are subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

**Highly Volatile Markets.** The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Clients are also subject to the risk of failure of any of the exchanges on which their positions trade or of its clearinghouses.

**Non-U.S. Securities.** Certain ETFs and mutual funds hold securities of non-U.S. issuers. Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility, and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S.

issuers may not be subject to accounting, auditing and financial reporting standards, and requirements comparable to or as uniform as those of U.S. issuers.

**Emerging Markets.** Certain ETFs and mutual funds hold securities of emerging markets issuers. In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices, and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices.

**Capitalization Risks.** Investing in Companies within the same market capitalization category carries the risk that the category may be out of favor due to current market conditions or investor sentiment.

**Market Risks.** Turbulence in the financial markets and reduced liquidity may negatively affect the Companies, which could have an adverse effect on each of them. If the securities of the Companies experience poor liquidity, investors may be unable to transact at advantageous times or prices, which may decrease the Company's returns. In addition, there is a risk that policy changes by central governments and governmental agencies, including the Federal Reserve or the European Central Bank, which could include increasing interest rates, could cause increased volatility in financial markets, which could have a negative impact on the Companies. Furthermore, local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Companies. For example, the rapid and global spread of a highly contagious novel coronavirus respiratory disease, designated COVID-19, has resulted in extreme volatility in the financial markets and severe losses; reduced liquidity of many Companies' securities; restrictions on international and, in some cases, local travel; significant disruptions to business operations (including business closures); strained healthcare systems; disruptions to supply chains, consumer demand and employee availability; and widespread uncertainty regarding the duration and long-term effects of this pandemic. Some sectors of the economy and individual issuers have experienced particularly large losses. In addition, the COVID-19 pandemic may result in a sustained economic downturn or a global recession, domestic and foreign political and social instability, damage to diplomatic and international trade relations and increased volatility and/or decreased liquidity in the securities markets. The Companies' values could decline over short periods due to short-term market movements and over longer periods during market downturns.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with Erguz.**

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

Erguz and its management have not been involved in any criminal or civil actions, administrative or self-regulatory enforcement proceedings, nor any legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Erguz or the integrity of its management.

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

### **A. Registration as a Broker-Dealer or Broker-Dealer Representative**

Neither Erguz nor its management persons are registered as a broker-dealer or broker-dealer representative.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Erguz nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading advisor.

### **C. Relationships Material to this Advisory Business and Possible Conflicts of Interest**

Neither Erguz nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

### **D. Selection of Other Advisors or Managers**

Erguz does not utilize nor select other advisors.

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

### **A. Code of Ethics**

The affiliated persons (affiliated persons include employees and/or independent contractors) of Erguz have committed to a Code of Ethics (“Code”). The purpose of our Code is to set forth standards of conduct expected of Erguz affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of Erguz. The Code reflects Erguz and its supervised persons’ responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Erguz’s policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of Erguz may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Erguz’s Code is based on the guiding principle that the interests of the Client are our top priority. Erguz’s officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client’s interests over the interests of either affiliated persons or the company.

The Code applies to “access” persons. “Access” persons are affiliated persons who have access to non-public information regarding any Clients’ purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Erguz will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

**B. Recommendations Involving Material Financial Interests**

Neither Erguz nor its related persons recommend to Clients, or buys or sells for Client accounts, securities in which Erguz or a related person has a material financial interest.

**C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Erguz and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide Erguz with copies of their brokerage statements.

The Chief Compliance Officer of Erguz is Javier Guzman. They review all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of Erguz receive preferential treatment over associated persons' transactions.

**D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Erguz does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide Erguz with copies of their brokerage statements.

The Chief Compliance Officer of Erguz is Javier Guzman. At the current time, he is the sole advisor. He reviews all trades to ensure that none of his personal trades receive preferential treatment over client transactions.

## **Item 12 – Brokerage Practices**

**A. Factors Used to Select or Recommending Broker-Dealers**

Erguz does not require the use of a specific broker-dealer but instead, utilizes a broker-dealer of the Client's choosing. Erguz relies on the broker-dealer to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Erguz.

**1. Research and Other Soft Dollar Benefits**

Erguz does not receive soft dollar benefits.

**2. Brokerage for Client Referrals**

Erguz does not receive Client referrals from any custodian or third party in exchange for using that broker-dealer or third party.

3. Directed Brokerage

Erguz does generally accept directed brokerage arrangements (when a Client requires that account transactions be effected through a specific broker-dealer). In such Client directed situations, the Client must negotiate terms and arrangements for their account with that broker-dealer, and Erguz will not seek better execution services or prices from other broker-dealers. As a result, a 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.

Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to affect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

B. Aggregating Trading for Multiple Client Accounts

When a Client authorizes discretionary management, Erguz is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of Erguz. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a prorated basis. If aggregation is not allowed or infeasible and individual transactions occur (e.g., withdrawal or liquidation requests, odd-late trades, etc.) an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred.

Because Erguz allows its clients to direct brokerage, accounts at the same custodian are aggregated and receive the same price. Orders are placed at the various custodians in random order which may result in clients receiving different pricing, depending on their choice of custodian.

### **Item 13 – Review of Accounts**

A. Frequency and Nature of Periodic Review and Who Makes Those Reviews

Account reviews are performed at least quarterly by the Chief Compliance Officer of Erguz. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities. Client meetings are typically conducted quarterly via Zoom or other online technology. Meetings are scheduled based on client availability. In person meetings may also be scheduled. In any event, a client meeting will be held with each client at least annually.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

C. Content and Frequency of Regular Reports

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the Client's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. Erguz may also send periodic or other event-inspired reports based on market or portfolio activity. Reports will generally be provided in electronic format.

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

A. Economic Benefits Provided by Third Parties

Erguz does not receive any economic benefits from external sources.

B. Compensation to Non-Advisory Personnel for Client Referrals

Erguz does not compensate for Client referrals.

## **Item 15 – Custody**

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by Erguz.

Erguz is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of Erguz. Erguz will obtain written authorization from Client to allow for such deductions.

Erguz is not affiliated with the custodian. The custodian does not supervise Erguz, its employees or activities.

## **Item 16 – Investment Discretion**

If applicable, Client will authorize Erguz discretionary authority, via the Advisory Agreement, to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. If applicable, Client will authorize Erguz discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement. If however, consent for discretion is not given, Erguz will obtain prior Client approval before executing each transaction.

Erguz allows Clients to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. Such restrictions could include only allowing purchases of socially conscious investments. These restrictions must be provided to Erguz in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. Erguz does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

### **Item 17 – Voting Client Securities**

When assistance on voting proxies is requested, Erguz will provide recommendations to the Client. However, Erguz will not have authority to vote proxies on behalf of the Client.

### **Item 18 – Financial Information**

Erguz has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy petition.

A. Balance Sheet

Erguz does not require nor solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

B. Financial Condition

At this time, neither Erguz nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to Clients.

C. Bankruptcy Petitions in Previous Years

Erguz has not been the subject of a bankruptcy petition in the last ten years.

**SUPERVISED PERSON BROCHURE  
Part 2B of Form ADV**

**Erguz, LLC**

**Javier Guzman**

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**This brochure supplement provides information about Javier Guzman and supplements the Erguz, LLC brochure. You should have received a copy of that brochure. Please contact Javier Guzman if you did not receive the brochure or if you have any questions about the contents of this supplement.**

**Additional information about Javier Guzman (CRD# 6202592) is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



**Supervised Person Brochure****Principal Executive Officer – Javier Guzman**

Year of birth: 1981

**Item 2 - Educational Background and Business Experience**

Educational Background:

- University of Michigan 2004  
B.S.E. Industrial & Operations Engineering
- UCLA Anderson School of Management 2011  
M.B.A. Finance/Investment Management

Business Experience:

- Erguz, LLC; Investment Advisor Representative; 2013 – Present

**Item 3 - Disciplinary Information**

Javier Guzman does not have any disciplinary information to report.

**Item 4 - Other Business Activities Engaged In**

Javier Guzman is not engaged in any business activities outside of Erguz, LLC.

**Item 5 - Additional Compensation**

Javier Guzman does not receive additional compensation, performance-based fees, nor receives any additional compensation for performing advisory services other than what is disclosed in Item 5 of Part 2A.

**Item 6 - Supervision**

Javier Guzman is the Chief Compliance Officer of Erguz, and therefore is solely responsible for all supervision and formulation and monitoring of investment advice offered to Clients.