Form ADV Part 2A: Disclosure Brochure
ITEM 1: COVER PAGE

March 26, 2026

Principal Office

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This brochure provides information about the qualifications and business practices of Exencial Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (405) 479-1971 or via www.exencialwealth.com.

Exencial Wealth Advisors is an SEC registered investment adviser. Registration does not imply any level of skill or training. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Exencial Wealth Advisors is available on the SEC's website at www.adviserinfo.sec.gov. This website also provides information about any persons affiliated with Exencial who are registered, or are required to be registered, as investment advisor representatives of Exencial.

ITEM 2: MATERIAL CHANGES

Exencial has updated this Brochure according to regulatory requirements and rules. There were changes made since the last annual amendment filing on March 25, 2025, some of which are considered material and could influence a client's evaluation of the services provided by Exencial. This Brochure has been updated to reflect the following:

Item 4 – Advisory Business was updated to reflect assets under management as of December 31, 2025, and changes to some of our office locations, including the opening of offices in Greenville, South Carolina and Hilton Head, South Carolina.

Item 4 – Advisory Business was updated to remove the Unaffiliated Wrap Programs section. Exencial is no longer participating in any Wrap Program relationships.

Item 5 – Fees and Compensation was updated to remove the Wrap Program Fees.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss was updated to include important information about the Firm's Marketwide Equity Factor investment strategy.

Item 10 – Other Financial Industry Activities and Affiliations was updated to remove a reference to a regular joint-service relationship with an outside estate planning firm, which is no longer in place.

Item 12 – Brokerage Practices was updated to remove the Wrap Program Trades section.

Item 12 – Brokerage Practices was updated to remove a reference to the Firm's participation in contracted soft dollar relationships, which are no longer in place.

Item 14 – Client Referrals and Other Compensation was updated to remove a disclosure referencing the Firm's contracted soft dollar relationships, which are no longer in place.

Additional non-material changes were made to this Disclosure Brochure. Clients and prospective clients are strongly encouraged to review this Brochure very carefully. Pursuant to SEC Rules, Exencial Wealth Advisors will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of the Firm's fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as Exencial Wealth Advisors experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover.

For more information about the firm, please visit www.exencialwealth.com. Additional information about the Firm and our investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 4: ADVISORY BUSINESS

Advisory Firm Description

Exencial Wealth Advisors, LLC ("Exencial" or the "Firm") (formerly Burns Wealth Management, Inc.) is an SEC registered investment adviser and is majority owned by Burns Wealth Management, Inc. While this brochure describes the business of the Firm, some sections will also describe the activities of "Supervised Persons," which include officers, employees or any others providing investment advice under the Firm's supervision.

In addition to its Principal Office in Oklahoma City, Oklahoma, Exencial has other offices in:

- Huntersville, North Carolina
- Greenville, South Carolina
- Hilton Head, South Carolina
- Newtown, Pennsylvania
- Westlake Village, California
- Cincinnati, Ohio
- Tampa, Florida
- Guilford, Connecticut
- Stamford, Connecticut
- Old Lyme, Connecticut
- Plano, Texas
- Dallas, Texas
- Austin, Texas
- San Antonio, Texas

In June 2021, Exencial entered into a strategic partnership with First United Bank and Trust Company, an Oklahoma banking corporation ("First United"), whereby First United purchased a minority ownership in Exencial. In June 2022, First United purchased an additional ownership interest, bringing its ownership of Exencial to 25%. Since then, Exencial has redeemed some of the units issued to First United which reduced First United's ownership to approximately 12% as of year-end 2025. Please refer to item 10 below for additional information.

Types of Advisory Services

The Firm provides its clients with the following services, which are defined in greater detail below.

- Wealth Management
- Financial Planning Consulting
- 401(k)/Retirement Plan Fiduciary
- Executive Services

Before engaging the Firm, clients will complete a written agreement with the Firm that describes the terms and conditions of the service(s), excluding tax services, including fees. In some cases, clients may complete more than one agreement.

Wealth Management

For clients utilizing Exencial's Wealth Management services, the Firm provides management of investment portfolios and tailored wealth advice processes driven by planning-first principles, such as:

- Establishing financial goals
- Reviewing and providing a statement of current financial position
- Analyzing cash flow
- Developing target asset allocation
- Reviewing allocation expected returns
- Reviewing debt management
- Coaching or validation in addressing a particular financial topic
- Designing, implementing, monitoring, and maintaining an investment plan
- Tax planning and tax preparation
- Estate planning

Unless otherwise requested by a client, the Firm manages each Wealth Management client's assets on a discretionary basis based on an investment strategy tailored to the needs of the client. The strategy includes an Exencial asset allocation model portfolio comprised of investments determined to be suitable and in line with the client's overall investment objectives and risk appetite provided by the client to the Firm. Exencial offers four main types of asset allocation model portfolios, which are designed to provide clients with an appropriate mixture of preservation, inflation-protected, and growth assets that the Firm believes is likely to meet a client's future cash flow needs and planning parameters.

Wealth Management clients may impose reasonable restrictions on investing in certain securities or may request to be contacted before trading certain types of securities.

Client assets being transferred to the Firm for management may include cash or securities. After consultation with the client, the Firm may liquidate and/or hold transferred securities as part of the investment strategy. Assets can potentially be liquidated before transferring in as well. These actions may subject the client to taxes, transaction fees, or other investment-related costs. If the client wishes to retain existing securities, the client needs to notify the Firm.

Upon approval of the strategy by the client, the Firm implements and manages the investment portfolio by:

- Selecting specific investments
- Placing trades in the client's account
- Rebalancing the account, as necessary
- Regularly monitoring the investments and exposure

In providing Wealth Management services, the Firm primarily allocates client assets among asset classes that are in line with the client's selected asset allocation portfolio. The asset classes utilized include cash, fixed income, U.S. large companies, U.S. small companies, international large companies, international small companies, emerging markets, and real and alternative assets. Securities used to gain asset class allocations include individual equities, fixed income securities, mutual funds (including exchange traded funds ("ETFs") and exchange traded notes ("ETNs"), private investments, derivatives (e.g., options), and cash and cash equivalents.

For certain qualifying clients, the Firm will recommend investments in certain privately held securities. Such securities are usually structured as private investment funds that invest in different types of instruments, including but not limited to equities, debt instruments, commodities, real estate, private companies, and/or other private investment funds. Where required, the Firm will only recommend private funds to clients meeting the regulatory definition of “accredited investor” under Regulation D of the Securities Act of 1933, and/or “qualified purchaser” or “qualified client” under the Investment Advisers Act of 1940. While a Firm representative goes over the details of the investment and its risks when providing the recommendation, it is important that clients also read the fund’s offering documents that are provided by the Firm in their entirety prior to investing as these investments are deemed higher risk than similar publicly traded securities. These documents outline the fund’s investment strategy and objectives, the fees to be paid by investors, the risks, and conflicts, along with any lockup periods and potential tax consequences.

Exencial Wealth Advisors also, from time to time, will recommend and/or utilize independent third-party investment managers (“Separate Account Managers” or “SAMs”) to manage a portion of a Wealth Management client’s assets. See below under “Use of Separate Account Managers” for further information.

Depending on the needs of a client and at client request, the Firm will also provide investment advice on other assets a client owns, such as annuities, or assets held in an employer-sponsored retirement plans or other outside account. In addition, depending on the needs of a client the Firm will recommend that the client consider obtaining a securities-backed loan or line of credit with an unaffiliated third-party bank or brokerage firm. These types of loans are not suitable for all investors and carry a number of risks (Please refer to Item 8 below for details on applicable risks). Clients should not obtain such a loan or line of credit without fully understanding the benefits and risks.

In these cases, described in the paragraph above, the Firm is primarily providing consulting services and not continuous management recommendations. The Firm will typically incorporate these positions into a recommended overall asset allocation and regularly review it.

The Firm recommends that clients meet with a representative at least annually to review their specific portfolio. Clients are advised to notify the Firm as soon as possible if their financial situation or investment objectives should change.

Please refer to Item 8 below for further information on our investment strategies, asset allocation model portfolios, and asset classes utilized, along with the associated risks.

Financial Planning Consulting Services

The Firm offers Financial Planning Consulting to clients on a broad range of topics including general cash flow planning, retirement planning, insurance analysis, education funding, tax planning, tax preparation, charitable giving, business succession, risk management, estate planning, financial aspects of divorce, and other services agreed to in writing.

The Firm provides specific recommendations to clients who engage the Firm for Financial Planning Consulting. Depending on the needs of a client, the Firm will recommend the services of professionals, including the Firm itself, to implement the financial planning recommendations. The client retains absolute discretion over all implementation decisions and is under no obligation to act upon any of the recommendations. Clients should be aware that a conflict of interest exists if the Firm recommends its own services as part of its recommendations. Financial Planning Consulting clients are advised that it is their responsibility to notify the Firm of changes in their objectives or financial situation. When performing Financial Planning Consulting services to a client, the Firm will request information from the client and possibly other professionals such as the client's tax advisor, insurance agent, attorney, etc. When relying on information from others, the Firm is not liable for errors in the information provided and is not required to independently verify the information provided.

401(k)/Retirement Plan Consulting and Fiduciary Services

The Firm serves all of its 401(k)/Retirement Plan clients as a fiduciary. At the beginning of the relationship, the Plan client chooses whether the Firm will manage its accounts under Section 3(21) or 3(38) of the Employee Retirement Income Security Act ("ERISA"), and such election will be outlined in the client agreement.

As part of this service offering, the Firm meets with plan sponsors to determine the investment goals of the plan. For plans that do not already have one, the Firm may assist in developing an investment policy statement that is consistent with the plan document by:

- Listing criteria for selection of investment vehicles, procedures, and timing of performance monitoring.
- Providing analysis and advice in order to assist plan fiduciaries in their decision-making processes.
- Making recommendations of mutual fund options to plan sponsors for implementation, or determining and implementing investment options for the Plan, depending on authority granted to Exencial.

In addition, the Firm offers the following services to plans and their participants:

- Ongoing monitoring of plan investment options, maintenance of a "watch list" when appropriate, and making recommendations regarding the replacement or addition of investment choices.
- Providing ongoing supervision of plan client assets (discretionary management).
- Providing model portfolios as plan options that participants can choose from (these would be in addition to mutual fund options made available by the plan).
- Consulting regarding compliance with the plan document and ERISA requirements.
- Educating participants regarding the plan.
- Assisting with group enrollment meetings with plan employees.
- Monitoring of the record keeper and trustee to ensure they are performing the functions in their service agreement.
- Plan benchmarking of plan costs and services to market and peer averages.

401K Participant Accounts

When Exencial manages a client's 401K participant account, if such account is held at a custodian that is not directly accessible by Exencial ("Held Away Account"), then we request permission from such client to use a platform that is administered by a third-party service provider. The platform gives Exencial the ability to view the 401K account assets in real time and effectively place transactions.

Exencial has entered into a subscription agreement with the third-party service provider and when a client agrees to Exencial's use of the platform, the client will be given a copy of the service provider's terms and conditions agreement for users and must agree to the terms and conditions outlined within. It is important for clients to review the agreement in its entirety in order to be fully aware of all conditions and requirements. For example, the terms and conditions include, but are not limited to, the client agreeing to provide the third-party service provider with access to all account information in their 401K account and authorizing Exencial to use the platform to facilitate the investment management of that account. Exencial is granted access to view and manage the client's 401K account assets via a platform login. Login access does not give Exencial the authority or ability to transfer or withdraw any assets in a client's 401K account.

Exencial is not affiliated with the third-party service provider, and we do not receive any compensation from them for using their platform. There is a fee charged by the third-party service provider for the use of the platform, which is paid by Exencial, not our clients.

Executive Services

The Firm is often hired by companies for the benefit of their corporate executives. These companies pay the Firm to provide services that they choose from the list below:

- Tax planning and preparation, including tax returns
- Estate planning
- Insurance planning
- Employee benefit analysis
- Retirement planning

The Firm provides Executive Services recipients with services outlined in its employer's executive services contract and can include statements of net worth, stock option charts, tax projections, tax returns, estate planning flow charts, insurance sufficiency models and retirement cash flow models. In addition to the services provided under the employer's contract, some of these executives may wish to hire the Firm to provide other services not covered under their employer's contract. In these cases, the individuals pay for these services directly.

Use of Separate Account Managers (SAM)

As mentioned above, from time to time the Firm will recommend or select (depending on the arrangement) one or more Separate Account Managers to actively manage a portion of a Wealth Management client's assets. Generally, this happens when a SAM offers an investment strategy that is in line with a client's investment objectives and risks but not offered by Exencial. Importantly, Exencial only utilizes a SAM when the Firm believes it is appropriate and in a client's best interest.

Access to SAMs will be through either a sub-advisory arrangement between Exencial and the SAM, or through a direct contract engagement between the client and the SAM. Exencial is delegated the authority to hire and fire SAMs on behalf of a client when deemed in the client's best interest through the client agreement that each client enters into with Exencial.

Under both types of arrangements, the SAM will have discretionary authority to manage the allocated assets, which will be performed in accordance with each client's objectives and restrictions and the selected investment strategy. On an ongoing basis, the Firm monitors the performance of the accounts being managed by SAMs to help ensure the SAMs' strategies and investments remain aligned with clients' investment objectives and overall best interests.

Each Wealth Management client that has account assets managed by one or more SAMs will receive a copy of each SAM's Form ADV Part 2A (Disclosure Brochure) at the beginning of the relationship, which should be read in its entirety, along with this Form ADV Part 2A. This will allow clients to fully understand the services, fees, conflicts, and risk surrounding these arrangements.

Research Services

From time to time, we enter into agreements with financial planning firms and other similar services providers, wherein we provide research services that assist these other providers in, among other things, evaluating securities and investment opportunities.

Sub-Adviser Services

Exencial has entered into written agreements with one or more unaffiliated third-party investment advisers to serve as a sub-adviser and provide investment management services to the third-party advisers' clients. Under a sub-advisory arrangement, the third-party investment adviser is responsible for working with its clients to select the appropriate Exencial strategy for investment that is suitable for the client based on the client's overall investment objectives. Exencial manages the clients' assets designated to Exencial based on their respective selected investment strategy, as provided by the third-party investment adviser. The third-party adviser is responsible for informing Exencial of any changes to a client's objectives.

General Consulting

In addition to the foregoing services, we provide general consulting services. These services are generally provided on a project basis, and can include, without limitation, minimal cash flow planning for certain events such as education expenses or retirement, estate planning analysis, income tax planning analysis and review of a client's insurance portfolio, as well as other matters specific to a client as and when requested by a client and agreed to by Exencial. The scope and fees for consulting services will be negotiated with each client at the time of engagement for the applicable project.

SMA Model Programs

Exencial has entered into a written agreement with an unaffiliated investment adviser ("Program Sponsor") that has developed and maintains a "Separately Managed Account Models Program," which provides model portfolios to third-party advisers to use with their clients. Under this agreement, Exencial provides the Program Sponsor with a model portfolio for one or more of our investment strategies. Exencial is responsible for ongoing management of the model portfolio(s) and communicates recommended changes to the Program Sponsor. Exencial does not have any relationship or agreement with the Program Sponsors' clients or the third-party advisers' clients (together referred to as "Program Clients") and we do not receive any specific information about the Program Clients from either party. The Program Sponsor and/or the third-party adviser retain full discretion on whether to invest their clients' assets using Exencial's model portfolio and implement any of the changes we recommend. Exencial does not include any Program Clients' assets that are invested in our model portfolio(s) in the calculation of our AUM (assets under management); however, we are paid an annual flat percentage fee that is based on the amount of assets invested in our model portfolio(s), which is calculated and paid quarterly to us by the Program Sponsor. Please refer to Item 5 below for further information on fees.

Client Assets Under Management

As of December 31, 2025, the Firm has $5,622,179,682 in discretionary assets and $353,840,079 in non-discretionary assets for a total of $5,976,019,761.

ITEM 5: FEES AND COMPENSATION

The Firm offers its services to clients on a fee basis. All fees the Firm charges for its services are fully disclosed to Wealth Management clients in writing in the client agreement. Non-standard fee schedules are subject to the approval of the Chief Operating Officer.

Wealth Management Fees

The Firm provides Wealth Management Services to clients for a fee based upon a percentage of the market value of the assets under management. This fee is generally 1% annually but can be higher or lower depending upon the size of the client's portfolio and the services to be provided. The Firm has in the past, and may in the future, charge a lower fee based on other factors such as anticipated additional assets, related accounts, pre-existing client, *pro bono* activities, etc. In some cases, legacy fees for clients from advisory firms acquired by the Firm are honored and continued, given a historical relationship with the Firm services. These fee arrangements usually result in a lower fee or fee minimum than what is typically charged by Exencial. In addition, these clients can have a different billing arrangement, such as being billed in arrears instead of in advance. All fees and billing arrangements are outlined in each client's investment advisory agreement. For additional important information about Exencial's acquisitions and the material conflicts, please refer to Item 10 – Other Financial Activities and Affiliations.

The Firm also has a tiered fee schedule offered to clients referred through the Client Referral Arrangements described in further detail in Item 14. In these referral programs, minimum AUM amounts differ from the Firm's minimum of $250,000 discussed in Item 7. The tiered fees offered to these clients are typically different than the fees charged by Exencial to non-referred clients. More information about these arrangements can be found below in Item 14.

Tiered fees are applied at a household level where family accounts (generally defined as spouse and children living in same household) are aggregated together to apply the fee tier. The fee that the Firm will charge will be fully disclosed to Wealth Management clients in writing and will be outlined in the client agreement. The fee is charged quarterly, in advance, based upon the market value of assets (including cash, cash equivalents, and accrued interest, as applicable) on the last day of the previous quarter as valued by the custodian or other reputable pricing provider if custodial pricing is not available.

In addition to the current standard fee schedules discussed above, some previously negotiated tiered fee schedules have been grandfathered in which include a different (e.g., charge lower fees on fixed income) fee schedule. This lower fee applies to the securities held in our Fixed Income Strategy and does not apply to fixed income securities held in other strategies like the Equity Income strategy. This fee is based on the strategy not the security type.

Ultra-high net worth clients are sometimes offered a flat annual fee paid annually or quarterly plus an asset-based fee. The flat annual fee can range from $10,000 to $100,000 based on estate planning, financial planning, and the complexity of the tax services provided.

Wealth Management asset-based fees that are charged in advance shall be prorated for each deposit or withdrawal of $100,000 or more made within the same business day during the applicable calendar quarter. We design our portfolios as long-term investments and asset withdrawals can affect the performance of your account(s) and impair the achievement of your investment objectives.

Clients may elect to have other fees drafted from their investment accounts to pay for other firm services outside of asset-based fees and asset management. Since these fees are separate from asset management, they will be included on client performance reports but will not be netted out for a client's net performance calculation.

New accounts opened during a calendar quarter are assessed a fee that is prorated based on the day the account was opened and funded and billed at the end of the quarter. In these situations, end-of-day pricing is used to establish the fair market value of the assets. In some cases, pro-rated fees charged to accounts are waived, at the discretion of the Firm.

Upon termination of any account, any pre-paid unearned fees will be refunded promptly.

Third Party Fees

Clients will incur certain charges, as applicable, that are imposed by custodians, broker- dealers and other third parties such as brokerage commissions, transaction fees, custodial fees, exchange fees, fees charged by the SAMs, deferred sales charges, odd-lot differentials, margin interest, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Client assets invested with SAMs recommended and/or utilized by the Firm will be subject to management fees charged by each SAM, as described in each SAM's disclosure brochure (Form ADV Part 2A). The disclosure brochure is provided to each Wealth Management client investing with a SAM and should be read carefully. The management fees are charged separately by the SAM and are in addition to the Firm's management fees.

When the Firm or a SAM invests in a mutual fund (including a money market fund) or ETF for a client's account, the client is subject to certain indirect fees charged by mutual funds and ETFs, which are in addition to management fees and the third-party fees described above. These fees are for the fund's investment management, marketing, administration, and shareholder servicing assistance and are deducted at the fund level and reflected through the fund's net asset value (NAV). They are disclosed in each fund's prospectus, which is provided to clients by the custodian and should be read carefully. The fees charged by mutual funds vary between funds, depending on a few factors such as the type of investment strategy, class of shares, and distribution channels. In addition, the custodian generally charges a transaction fee on mutual fund (and other) transactions executed in clients' accounts, although Fidelity does offer certain mutual funds on a no transaction fee basis.

Exencial strives to invest client assets in mutual funds and ETFs that are the most economical under the circumstances; however, it is important that clients understand how all these fees can affect investment returns over time. For further information, please refer to the SEC's

Investor Bulletin regarding mutual fund fees and expenses.

Client assets invested in private funds are also subject to management fees, performance fees and other expenses as described in each fund's offering documents. These fees and expenses are separate from and in addition to the management fees charged by the Firm and SAMs.

The Firm does not share in or receive any of the third-party fees described above. Clients should carefully review the fees charged by their brokers, custodian(s), SAMs, and the mutual funds, ETFs, and private investments in which the client's assets are invested, together with the fees charged by the Firm, to fully understand the total amount of fees to be paid by the client and in order to evaluate the advisory services being provided.

Margin Accounts

There are times when a Wealth Management client decides to use margin in their account, or when a margin account is necessary, such as when a client invests in options. Use of margin in a Wealth Management account can increase a client's asset-based Wealth Management fee. Specifically, if margin is used to purchase securities, the total value of the margined account assets increases, as does the asset-based Wealth Management fee.

Clients should be aware that the increased asset-based fee that a client pays presents a conflict since it creates an incentive for Exencial to recommend the use of margin to Wealth Management clients. However, Exencial only recommends margin accounts when it is required for trading in certain types of securities (e.g., options) and when it is the best option for the clients goals, needs, objectives, and risk appetite. Using a margin account is not suitable for all investors; the use of margin increases leverage in a client's account and therefore increases overall risk. For further information on risks pertaining to margin accounts, please refer to Item 8 below and the Investor Bulletin issued by the SEC on understanding margin accounts.

Clients with margin accounts also are charged margin interest by the broker/custodian on the debit balance in their account. Exencial does not receive any portion of the interest amount.

Financial Planning Consulting Fees

Financial Planning Consulting fees are set on an hourly or a fixed basis and negotiated based on the complexity of the project and any additional services provided by Exencial. Financial Planning Consulting fees are generally $250 on an hourly basis or range from $2,500 to $100,000 on a fixed basis.

Clients choosing Financial Planning Consulting will enter into a written agreement with the Firm setting forth the terms and conditions and scope of the engagement. Generally, the Firm requires one-half of the Consulting Services fee upon execution of the written agreement. The balance is generally due upon completion of the services, which typically occurs within a six-month period assuming the client provides required information in a timely manner.

Executive Services Fees

The Executive Services fee is negotiated on an annual basis with the sponsoring corporation and is paid by the corporation to the Firm annually.

Research Services Fees

Fees for research service arrangements are negotiated separately. Fees are normally paid monthly or quarterly in arrears, or at the conclusion of a specific project.

Sub-Adviser Services

Sub-advisory clients do not pay Exencial any fees or compensation directly. Exencial receives investment management fees from each third-party investment adviser based on the total assets in each such third-party adviser's clients' accounts for which Exencial serves as sub-adviser. Exencial receives the sub-advisory fees on a quarterly basis from the third-party investment adviser, which is paid quarterly either in advance or arrears depending on the arrangement. Sub-advisory clients should receive information about the fees they pay from their third-party investment adviser. Each third-party investment adviser is required under federal securities laws to provide their clients, including sub-advisory clients with a copy of their Form ADV Part 2A ("Adviser Brochure"), which includes disclosures on, among other things, the fees charged to their clients. Sub-advisory clients should review the Adviser Brochure in its entirety, along with this Brochure, in order to fully understand the services, fees, and risks surrounding these arrangements. Sub-advisory clients should understand that these types of arrangements have layers of fees that may or may not be apparent without reading the Adviser Brochure and this Brochure, along with the offering document/prospectus for underlining investments.

General Consulting Fees

When we provide general consulting services, these services are generally separate from our financial planning and investment management services. Fees for general consulting are negotiated at the time of the engagement for such services and are normally based on a fixed fee basis.

Model Portfolio Program

Exencial receives fees based on the amount of Program Clients' assets that are invested in our model portfolio(s). The Program Sponsor calculates the fee and pays us on a quarterly basis, either in arrears or in advance, as outlined in each written agreement between Exencial and the Program Sponsor.

Compensation Received by Representatives

Certain Investment Adviser Representatives of the Firm ("Exencial IARs") also are licensed insurance agents and from time to time recommend insurance products to clients as part of the overall financial planning process. In addition, one Exencial IAR is "dual-registered" and also serves as registered representative of a registered broker-dealer. The Exencial IAR receives additional compensation from their role as a registered representative. These outside business activities and the additional compensation create conflicts of interest.

Please refer to Item 10 below for further information regarding the outside business activities and the additional compensation received by certain Exencial IARs, along with details on the conflicts surrounding these activities, and how the Firm addresses such conflicts.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Exencial Wealth Advisors does not charge performance-based fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). As described in Item 5 above, the firm provides advisory services for a fixed fee, hourly charges and/or based upon a percentage of assets under management, in accordance with SEC Rule 205(a)(1). Notably, accounts that are managed in the same style (e.g., moderately aggressive) are not always managed the same way due to the client's overall investment objectives and risk tolerance, account asset size, and account restrictions.

Importantly, some of the private funds that clients invest in do charge performance/incentive-based fees, which are outlined in the respective fund's offering documents. In addition, one or more SAMs charge a performance-based fee for providing investment management services, which is outlined in their respective Form ADV Part 2A. While it varies by SAM or private fund, performance fees are usually in addition to the management fee charged by the SAM or private fund. The performance fees are in addition to the management fee charged by Exencial; however, the Firm does not receive, directly or indirectly, any portion of the performance fees charged by SAMs or private funds.

These performance fees can only be charged to clients and fund investors that meet the definition of "qualified client" outlined in Rule 205-3 under the Investment Advisers Act of 1940. Any client or investor not meeting such definition is not charged a performance/incentive fee.

ITEM 7: TYPES OF CLIENTS

The Firm provides investment advice and manages wealth management accounts for high-net-worth individuals, pension and profit-sharing plans, trusts, estates, municipalities, corporations and business entities, non-profits, and foundations.

Minimum Account Size and/or Fees

For new clients, the Firm generally has a minimum annual fee of $2,500 for Wealth Management Services. This minimum fee can make Exencial Wealth Advisors' Wealth Management Services impractical for clients with less than $250,000 under the Firm's management. The Firm, in its sole discretion, sometimes accepts clients with smaller portfolios based on factors such as anticipated additional assets, related accounts, *pro bono* activities, etc. The Firm sometimes aggregates the portfolios of family members to meet the minimum portfolio size.

For the WAS referral platform and given the fees required of Exencial to access the platform, minimum account size is $500,000. The Firm, in its sole discretion, sometimes accepts clients with smaller portfolios based on the same factors listed above.

If a client's account is a pension or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Firm may be a fiduciary to the plan. In providing our advisory services, the standard of care imposed upon us is to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Firm will provide certain required disclosures to the "responsible plan fiduciary" (as such term is defined in ERISA) in accordance with Section 408(b)(2), regarding the services the Firm provides and the direct and indirect compensation the Firm receives. Generally, these disclosures are contained in this Form ADV Part 2A, the client agreement and/or in separate disclosure documents and are designed to enable the ERISA plan's fiduciary to: (1) determine the reasonableness of all compensation received by the Firm; (2) identify any potential conflicts of interests; and (3) satisfy reporting and disclosure requirements to plan participants.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

The Firm's primary method of analysis is a fundamental analysis of an investment's price, its expected income and returns, and applicable risks.

The Firm does this by evaluating the current market prices and/or expected return for broad asset classes such as bonds, real estate, and stocks. The figures for each asset class are then compared to the figures of other asset classes. In addition, the Firm will compare the current figures to historical data when available in order for the Firm to view the numbers with a broader perspective. When the price of an investment appears low or attractive relative to risks and other alternatives, the Firm often may place greater emphasis on that investment in recommended portfolios. This analysis can, for example, lead the Firm to emphasize stocks over real estate or certain types of stocks over other types of stocks. Emphasizing lower priced investments over higher priced investments is sometimes termed "value investing." Although the Firm believes that buying assets at what appear to be relatively attractive values have the potential to provide higher expected returns over time, the value of these investments can decline and it can take months or years for an investor to be rewarded for such a strategy, if at all. Conversely, asset classes that appear to be expensive can perform well and become even more expensive, and during these cycles value investing can underperform broad market averages. This form of investing best serves those willing to invest for the long term.

When managing individual stocks, the Firm performs an ongoing fundamental analysis of a company's management structure and performance, earnings, new products, and services, as well as the company's market and position amongst its competitors. Often this analysis includes a discounted cash flow model as is evaluated relative to other companies.

Asset Allocation Strategies

The Firm uses an asset allocation strategy in managing its clients' assets allocating among the following asset classes:

Cash
Fixed Income Securities
U.S. Large Companies
U.S. Small Companies
International Large Companies
International Small Companies
Emerging Market Companies
Real Assets and Alternative Investments

Securities used to gain asset class allocations include individual equities, fixed income securities, mutual funds (including exchange traded funds ("ETFs") and exchange traded notes ("ETNs"), private investments, derivatives (e.g., options), and cash and cash equivalents

The firm primarily allocates to these asset classes using in-house managed strategies. Where it makes sense for the client based on goals objectives, needs objectives, and risk; in-house managed strategies are used to create a custom model for the client as appropriate to the client's goals objectives, needs objectives, and risk appetite. The strategies used are described below in section titled *Investment Strategies.*

All security investments in our asset allocation strategies must be approved by the Investment Team.

The *fixed income* component is typically more conservatively invested for less volatility than equities and is often used to provide cash to clients when they need to take withdrawals from their accounts. Because the component is positioned to take less volatility risk, it generally produces lower returns. The Firm attempts to manage these investments with the goal of achieving a return equal to or greater than inflation. This component typically includes investments in high-quality government bonds and corporate bonds, certificates of deposit, foreign bonds, preferred stocks, lower quality bonds, and mutual funds and ETFs that invest in fixed income. The Firm attempts to manage risks such as inflation and interest rate risk by diversifying this component into many investments with different characteristics. Factors the Firm considers in purchasing or selling individual bonds include yield to maturity compared to similar issues, yield premium to the US Treasury rate and the premium or discount to par, and credit ratings.

In addition, as part of the overall fixed income component, the Firm will recommend from time to time that certain clients consider obtaining a securities-based loan or line of credit with an unaffiliated third-party bank or brokerage firm. These types of loans are not suitable for all investors and carry a number of risks. It is important that clients understand all the risks involved prior to obtaining the loan. Some of these risks include: (i) failure to perform by the lender due to financial instability, (ii) tax consequences and loss of appreciation due to premature sale of the securities used as collateral, (iii) lack of funds to repay the loan, and (iv) high cost and high-interest rate charges. There also is a conflict of interest surrounding the Firm's recommendation to obtain such a loan, mainly due to the fact that the loan proceeds may be used in place of a client having to withdraw assets from their account managed by the Firm. Therefore, the Firm continues to receive fees on the securities in the account even though they are used as collateral. To address this conflict, the Firm has implemented policies and procedures to ensure that all recommendations being provided to clients are suitable and the clients are aware of all material risks and conflicts. For further information about these securities-backed loans and lines of credit, please refer to the Investor Alert issued by the SEC.

The *equity* component provides the potential for growth and is used primarily to hedge purchasing power decreases due to inflation and longevity/asset depletion risk for clients who may be withdrawing from their assets for long periods of time, as occurs in retirement. This component is invested for growth by taking ownership stakes in public and private companies. These types of securities carry a number of risks and just like with any securities investment, there is no guarantee of a positive return. However, the Firm attempts to reduce and manage these risks by properly diversifying the equity portfolio and ensuring that the client is holding an adequate amount of assets in fixed income and in some cases, alternative investments/strategies, such as our Hedged Equity Strategy. Investments in the equity component typically include large, mid-sized and small capitalization U.S. and international companies, as well mutual funds and ETFs that invest in these types of equities. In addition, the Firm's recommended equity component includes more small- and lower-priced companies than typical market indices such as the S&P 500 because these companies have historically outperformed larger and higher- priced companies, and we believe they will continue to do so.

When considering individual equity investments, the Firm analyzes company and industry-specific information from corporate, quarterly, 10(K) and 10(Q) reports, brokerage and independent research analyses and media publications. The Firm seeks to understand the substance of each company's business model and the stability and profitability typically illustrated in key balance sheet and income statement measures.

The Firm also seeks to determine fair valuation based upon current statistics compared to historical norms.

The Firm typically invests in individual equities of companies with a market capitalization of at least $1 billion. The Firm's approach is not focused on any particular market capitalization but rather on the qualities of the company and its valuation compared to past standards. Selections may be domestic or international companies. The Firm diversifies individual equity holdings by sector. The Firm's sell disciplined is based upon changes in key valuation measures, market conditions, company-specific fundamentals, and maintenance of asset allocation ranges.

The Real assets and alternative investments asset class consists of publicly traded securities and private funds. These private funds include real estate, commodities, non-U.S. Currencies, cryptocurrencies, private credit and private debt, hedging strategies, and other investments.

Asset Allocation Models

Exencial's Asset Allocation Models are designed to provide clients with an appropriate mixture of equity/growth assets (generally with weights ranging from 30% to 100% in 5% increments) and bond/income assets (generally with weights ranging from 0% to 70% in 5% increments) that the Firm believes is likely to meet a client's future cash flow needs and planning parameters.

Once the Exencial Asset Allocation Model has been selected, Exencial constructs customized investment portfolios utilizing internal and, where appropriate, externally-managed investment strategies of which components are designed to accommodate individual goals, needs, and risk appetite in accordance with the Firm's asset allocation strategy.

Investment Strategies

Core Equity Strategy

Our Core Equity Strategy is typically comprised of large-cap quality growth stocks but can also include small-cap, mid-cap, and international stocks. This strategy focuses on high quality, industry leading companies, resulting in a well-diversified portfolio of global corporations. In 2022, the Firm merged its SELECT Strategy with Core Equity.

We analyze investment trends and search for opportunities not only within the U.S., but also in international and emerging markets. Many of the holdings in the Core Strategy generate more than 50% of sales outside of the United States. The balance of large cap, mid cap, small cap, international and emerging markets can provide solid diversification and growth opportunities. Valuation parameters include Price/Earnings (PE), Price/Cash Flow (PCF), Price to Growth (PEG), Price/Book/Value (PBV), and Discounted Cash Flow Model (DCF).

Covered Call Portfolio Strategy

When appropriate for a client's investment objectives and risk tolerance, we can utilize a covered call strategy for a portion of a client's managed portfolio.

What is a Covered Call?

A covered call strategy is constructed by selling call options on stocks that are owned in a portfolio. The sale of call options produces income, which is received in exchange for future price appreciation over the strike price of the call option. The goal of the covered call strategy is to enhance total return by generating income and providing limited downside protection.

What is a Call Option?

A call option gives the owner the right to buy a stock before a specified date (expiration) and at a specified price (strike price). In a covered call portfolio, this right is sold to someone else in exchange for income.

What type of stocks are best for this strategy?

We identify stocks that we believe have minimal downside risk to current price levels and modest upside potential. Large cap stocks are targeted due to the significant liquidity advantage in the options market that large cap stocks hold over small caps. The universe of large cap stocks that are candidates for covered call portfolios is derived from our core, large-cap quality growth equity process.

When is this strategy most effective?

A covered call strategy works best in a relatively flat or slightly positive market environment. In these scenarios, the owner of a covered call portfolio receives income from writing the call, dividend income from the underlying stock, and modest appreciation potential of the underlying shares.

Hedged Equity Strategy
When appropriate for a client's investment objectives and risk tolerance, we can utilize this hedging strategy for a portion of a client's managed portfolio. Generally, the hedged equity strategy will be utilized for certain clients that want to maintain some equity exposure but are looking for greater growth and income potential than what fixed income investments can provide.

Custom Options Strategy
This strategy is mainly used with clients that have a concentrated position in a security and they either do not want to sell or selling would cause a large tax burden. The goal of this strategy is to reduce risk and diversify the client out of the concentration position. The strategy is geared to generate income, provide some downside protection, and lower the volatility of the position in the security.

This strategy uses long-dated options, and in some cases combining the purchase of protective put options, with the sale of covered calls as a partial replacement for equity exposure. The strategy also includes the purchase of treasuries, the sale of cash-secured puts on long-dated bonds (TLT), and in some cases the purchase of gold (via ETFs) to provide some negative correlation to equities.

What is a protective put option?
A protective put is a risk-management strategy that uses put options contracts to guard against the loss of owning a stock or asset. The hedging strategy involves an investor buying a put option.

What is a cash-secured put option?
A cash-secured put is when a client sells an out-of-the-money put, with cash in the account to cover the purchase the of the underlining stock.

What type of stocks are best for this strategy?
As mentioned above, this strategy is mainly used with certain clients that have concentrated positions in securities.

When is this strategy most effective?
This strategy works best when the underlining stock has only moderate movement in the stock price.

Do options increase the risk in my investment portfolio?
While both of our option strategies are designed for hedging the loss associated with owning equities, they do carry risks, including the risk of loss of principal investment. It is important for clients to understand all risk associated with option strategies. For additional information on risks pertaining to options, please refer to the summary under "Risk of Loss" later in this section.

Equity Income Strategy
Generating steady income from traditional fixed income investments is a challenge due to the current low-interest rate environment. The Equity Income Strategy attempts to overcome this by building diversified portfolios of income generating securities across asset classes and sectors. This strategy does contain more risk than traditional high- quality bonds, however we believe the long-term risk is lower than reaching for yield within fixed income by focusing solely on long dated or lower credit quality bonds. The primary objectives in selecting securities are the

sustainability of the current dividend and the ability of the company to raise the dividend in the future. The Equity Income Strategy can be comprised of high dividend paying stocks, preferred stocks and fixed income investments.

Defensive Equity Strategy

This strategy (formerly called the Enhanced Yield Strategy) attempts to build a diversified portfolio consistently invested in most major economic sectors as defined by the S&P 500 Index. We focus on approximately 35-50 high quality companies that have delivered stable and consistent returns through the business cycle. This strategy seeks a balance of income and growth with competitive returns. The goal of the strategy is to have lower risk and lower volatility than the S&P 500, as measured by beta.

Fixed Income Strategy

The focus of this strategy is to select fixed income securities based primarily on credit quality and cash flow, while also providing yield generation while managing interest rate risk. The Fixed Income Strategy provides a strong foundation to a balanced portfolio, reducing risk by investing in companies with low default risk. Taxable bond portfolios are constructed using US Treasuries, US Agencies, investment grade corporate bonds, municipal bonds, and treasury inflation protected securities (TIPS). We currently favor agencies and corporate bonds due to the low returns offered by US Treasuries.

Thematic ETF Strategy

Our Thematic ETF Strategy focuses on identifying sustainable, game-changing secular trends, and building a diversified portfolio of ETFs which are directly exposed to these themes. Importantly, our research process seeks to distinguish short-term fads from sustainable, long-term trends. To accomplish this important filtering process, we leverage our existing research and portfolio management methodology for the Core Equity Strategy. Some good examples of secular trends are the build - out of the Internet in the mid to late 90s, social networking, the move to mobile devices, and the increasing role and importance of “Big Data”.

This portfolio is relatively concentrated, holding approximately 10-15 ETFs. At the same time, the overall philosophy of this portfolio lends itself to significant exposure to technology-related sectors. Both factors are likely to make this portfolio more volatile than the overall market.

Marketwide Equity Factor Strategy

The Marketwide Equity Factor Strategy provides broad U.S. and international equity market exposure generally by utilizing lower cost and lower turnover mutual funds and ETFs. The strategy includes market cap weighted index funds as well as some actively weighted and managed funds and is diversified across large and small caps as well as value and growth companies.

The underlying funds have defined investment processes, and many utilize equity factors to help make decisions involving position weights within the funds. These factors have been identified in academic equity research and include size, profitability, and price. The funds within the strategy will be added, re-weighted, or removed over time as the portfolio manager makes decisions based on the funds available for investment and current economic and market circumstances.

International Equity Strategy

Our International Equity Strategy is typically comprised of large-cap stocks that generate the majority of their revenue and profits outside the United States. We focus on high-quality, industry-leading companies resulting in a well-diversified portfolio of global corporations.

This strategy is a natural extension of our Core Equity Strategy. In today's global economy, strong companies must compete on a worldwide platform. Many of the companies that fit the quality criteria for the International Equity Strategy are peers, competitors, customers, or suppliers of companies that we have owned in the Core Equity Strategy over the years.

The International Equity Strategy focuses largely on identifying investment trends and opportunities in developed international markets but can invest directly in emerging markets provided the companies in question meet our quality criteria. Emerging markets can offer superior growth prospects due to favorable demographic and per-capita income trends. However, those growth opportunities often come with increased risk from factors including, but not limited to:

- Volatile currency movements
- Political/regulatory instability
- Poor corporate governance standards
- Lower financial statement transparency/reliability
- Lower liquidity
- Increased trading costs/complexity

Additionally, the International Equity Strategy may invest in small- to mid-cap companies if it is determined that the business has a leading position in an attractive industry sector or niche. Smaller cap companies often have favorable growth prospects. However, the more favorable growth profile often comes with the following risks, without limitation:

- Lack of operational history and/or proven business model
- More projection implied in market valuation
- Lower liquidity
- Less scrutiny from the investment community
- Weaker access to capital

Investment Oversight

There are three levels of approval provided by the Investment Team. The first level includes investments that can be used by Firm representatives and are part of the Firm's asset allocation model portfolios. The second level includes investments that can be used by representatives as a substitute for the first level securities, mainly for clients that have certain restrictions and/or specific investment requests. The third level includes alternative investments/recommendations that require additional suitability considerations, such as private funds and securities-backed loan arrangements, or other higher risk/less liquid investments.

Firm representatives can only recommend investments to clients that have been approved by the Investment Team.

When providing clients with Wealth Management services, the Firm prepares an evaluation of each client's economic situation, given the client provides us with this information. The Firm pays particular attention to the amount and timing of all expected cash flows (such as education and living expenses, pension and social security income, and charitable and family gifting). Once these cash flows have been estimated, the Firm establishes a cash flow timeline. The Firm uses this timeline to determine the amount and frequency in which clients will need to withdraw from their investments. The cash flow timeline is a primary factor in determining the Firms' recommendations for the allocation and investment of client funds. The Firm also assesses how investments may perform under various conditions and risks such as high inflation/decline of the US dollar, rising interest rates and market volatility.

Use of Leveraged ETFs
Leveraged ETFs that routinely utilize derivatives and debt to intensify returns are often used as a vehicle for an investor who wants to obtain magnified exposure to an asset class or sector. These investments are inherently more volatile than similar investments that do not use leverage. Returns, whether positive or negative, will be amplified in a levered investment. When the markets experience a meaningful price decline, levered investments will go through a period of amplified negative returns. This makes this kind of investment unsuitable to hold on a long-term basis or indefinitely. In addition, because of certain characteristics of leveraged ETFs, these funds are subject to larger potential losses than gains.

Exencial does not include levered ETFs as part of its recommended model asset allocation portfolios. However, the Firm has in the past recommended and purchased leveraged ETFs for clients and will do so in the future upon client request and so long as we have determined that the investment would be suitable for the client. Clients who wish to obtain leveraged ETFs should understand the extra risks and costs involved, so it is important to read the respective prospectus and statement of additional information in order to be fully aware of the risks surrounding these investments.

In addition, please see the SEC's Investor Bulletin on leveraged ETFs to learn more.

Alternative Investments
The term "Alternative Investments" generally refers to investments or strategies with return characteristics which meaningfully differ from those of traditional stocks and bonds. An Alternative Investment can be publicly traded or privately held and can include a variety of investment strategies. Examples include: (i) mutual funds that use leverage or hedging strategies or that invest in real estate, non-U.S. currencies, crypto-currencies, private credit and debt, or commodities, and (ii) privately held pooled investment vehicles, such as hedge funds, real estate funds, private equity funds, and venture capital funds. The latter are usually structured as either a limited partnership or a limited liability company, and investors must meet certain sophistication/net worth criteria (i.e., accredited investor, qualified client, or qualified purchaser). This would also include Exencial's Hedged Equity and Custom Options Strategies, which utilize options.

Alternative Investments are generally considered to be and often are riskier than investing in traditional stocks or bonds. The extent of associated risks depends on, among other things, the degree of illiquidity of the investment and the underlining investments, the types of underlining investments, the extent of leverage used, including whether a margin account is required, complexity in valuing the investment, and lack of regulatory oversight in regard to private investments. Many Alternative Investments are structured with leverage, which makes them inherently more volatile and can result in the amplification of losses over time. The overarching risk, as with any investment in securities, is the risk of loss of the principal amount invested.

The investment processes and strategies used, along with associated risks are disclosed in each fund's offering documents, or in the case of Exencial's Hedged Equity and Custom Options Strategies, in this Item 8 of our Form ADV Part 2A. Alternative Investments often have higher management and administrative fees, which reduces the return these investments can otherwise provide. The ability to liquidate the Alternative Investment is often limited to being after a specific date in the future, a quarterly or annual frequence, a cap on liquidity available to investors, or other items specific to the type of Alternative Investment such as real estate appraisals or an asset being sold. Alternative Investments often provide lower transparency as to their holdings, assets, expenses, and returns at any point in time.

Private funds often impose performance-based fees or incentive allocations payable to the fund manager or general partner. Such performance-based fee/incentive allocation structures create an incentive for the managers of the private funds to make investments that are riskier or more speculative than would be the case in the absence of a performance-based fee/incentive allocation structure. Additionally, the performance-based fee structure could also cause the portfolio managers responsible for the private funds to devote a disproportionate amount of time to the management of the private funds, and compensation may be larger than it otherwise would have been because the fee/incentive allocation will be based on account performance instead of a percentage of assets under management.

Alternative Investments have a varying degree of illiquidity depending on the type of fund and its underlining investments, and some investments may require investors to hold their position for years at a time, such as private real estate, equity, and venture capital funds. This results in many alternative investments being unsuitable for investors who lack substantial financial capacity or investment acumen. Since Alternative Investments have higher risk, many are only available to "Accredited Investors", "Qualified Clients", and/or "Qualified Purchasers", as defined in the Securities Act of 1933, the Investment Advisers Act of 1940, and the Investment Company Act of 1940, respectively.

Exencial does not include Alternative Investments as part of its recommended model asset allocation portfolios. However, the Firm has in the past recommended and facilitated the purchase of Alternative Investments for clients and will do so in the future upon client request and so long as we have determined that the investment would be suitable for the client. Clients who wish to obtain exposure to Alternative Investments should understand the extra risks and costs involved, so it is important to read the respective prospectus or private placement memorandum in order to be fully aware of the risks surrounding these investments.

For more basic information on the Alternative Investments discussed above, please read the SEC Investor Bulletin on alternative mutual funds.

Options

From time to time, Exencial recommends options strategies as referenced above. These strategies include cash-secured put option writing as well as covered call option writing.

Below are some of the main risks associated with investing in options:

- For stock options, the profit or loss of the option is determined by the performance of the underlining security.
- When selling options there is a risk that the underlining stock price may change significantly, which can negatively impact option strategies.
- When writing covered call options, there can be times when the underlying stock is "called" (call option contract exercised or assigned) by the investor that purchased the call option. When this happens, the client would be required to sell the underlying security to the investor, calling the stock at the pre-determined (exercise) price. This could result in a loss to the client depending on the purchase price of the security.
- Writing cash-secured put options carries the risk that the client could end up having to purchase the underlining stock at a price that this higher than the stock's current trading price.

- Clients are usually required to open a margin account in order to invest in options, which carries additional risks and result in margin interest costs to the client.

- Option positions can be adversely affected by company specific issues (the issuer of the underlying security) which include but are not limited to bankruptcy, insolvency, failing to file with regulatory bodies, being delisted, having trading halted or suspended, corporate reorganizations, asset sales, spin offs, stock splits, mergers and acquisitions. In addition, market related actions, political issues, and economic issues can adversely affect the option market. These factors could restrict, halt, suspend, or terminate option positions written (sold) or purchased, which would prevent us from an ability to act or react to any of these conditions.

- Changes in value of the option may not correlate with the underlying security, and the account could lose money.

To understand the basics of option investment, please review the SEC Investor Bulletin on options. Options involve risks that are not suitable for all clients. Therefore, a client should also read the option disclosure document, “Characteristics and Risks of Standardized Options”, which can be obtained at www.optionsclearing.com, or by calling 1-888- OPTIONS, or by contacting your broker/custodian.

Monitoring and Rebalancing
Exencial regularly monitors client allocations to determine if any changes are necessary. Rebalancing generally occurs when a particular investment or allocation weighting grows above or falls below an acceptable tolerance “band.” For those clients who engage the Firm for consulting services for investments held elsewhere (non-discretionary), the Firm may recommend rebalancing but will not have the capability to enact the rebalancing.

The Firm manages and rebalances accounts considering tax consequences; however, tax implications are not a primary driver of investment decisions. The Firm recommends holding investments in the type of account (IRA or taxable account) that is most practical from a long-term tax perspective in an attempt to achieve the highest after-tax return.

Separate Account Managers
The Firm evaluates a variety of information about SAMs, which include the SAMs’ public disclosure documents, materials supplied by the SAMs themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the SAMs’ investment strategies, past performance and risk results in relation to its clients’ individual portfolio allocations and risk exposure. The Firm also takes into consideration each SAM’s management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors.

Third Party Consultants

Exencial has an arrangement in place with a third-party investment adviser, wherein the third-party adviser provides non-discretionary investment consulting services to the Firm. The consulting services include, but are not limited to receiving:

- Recommendations on approved investment managers, asset allocation models, and certain investment products and private funds.
- Various research and product specific publications and marketing materials; and
- Access to the investment team and due diligence team.

Exencial utilizes these services as part of its investment management process; however, the third-party consultant usually does not have direct contact with any Exencial clients. The fees for these services are paid by Exencial, not our clients.

Risk of Loss

An investment of any kind involves risks, including the loss of principal and/or purchasing power. The Firm mainly utilizes open-ended mutual funds, individual stocks and bonds and ETFs in managed portfolios, although the Firm also uses other investment vehicles from time to time, including but not limited to use of SAMs, closed-end funds and Exchange Traded Notes (ETNs), and private funds. Each investment has its own unique set of risks including the risk of loss of principal or selling an investment at a price lower than the price at which it was purchased.

Mutual funds, ETFs, ETNs, and SAMs carry internal expenses which make them unable to exactly match the returns of the underlying issues on an aggregate basis. Individual securities contain market, sector, country, regulatory, and business risk. Volatile markets exaggerate these risks for any security or class of securities.

Clients should be aware that there is a risk of loss or depreciation to the value of the client's account, which clients should be prepared to bear. There can be no assurance that the client's investment objectives will be obtained and no inference to the contrary should be made. Clients should know that volatility from investing will occur, and that all investing is subject to risks. The Firm provides no assurance that any investment product (i.e., mutual funds, ETFs, annuities, private funds etc.) will achieve its investment objective or that any of the Firm's investment strategies will be profitable. Past performance of investments is no guarantee of future results.

Investment and Other Risks

The client understands that investment recommendations made for the account by the Firm are subject to various market, currency, economic, political, and business risks. These risks include, but are not limited to price declines and volatility, potential illiquidity, interest rate and inflation risks, and default risk. Exencial Wealth Advisors does not guarantee the future performance of the account or any specific level of performance, the success of any investment recommendations that the Firm may use, or the success of the Firm's overall management of the account or any security bought or sold for the client's account. The Firm's primary measurement for suitability is risk based on concentration, timing, and depletion.

Quarterly reports track volatility and confirm that clients are not in investments that are not appropriate for their circumstance or risk tolerance. Secondarily, the Firm will monitor whether client portfolios are out of balance or not in line with the recommended structure or model for investments.

Concentration risks also include a focus on particular asset classes, industries or types of investments that are subject to greater risks of adverse developments, more so than a strategy that is more broadly divided across a wider variety of investments.

Concentration risk is a primary risk investors face. Portfolios that are concentrated in more than 5% of any individual company are considered to have concentration risk. A level above 10% is heightened concentration risk and is not recommended.

Liquidity timing risk, the risk of having to sell an investment at a loss to raise cash, is a primary risk for investors. While The Firm attempts to manage timing risk and other risks in portfolios, there can be no assurance that these risks will not have an adverse effect on client balances, especially over short time periods.

Depletion risk is the risk of running out of money. The realization of this risk greatly reduces quality of life a client is able to live due to their assets being depleted. This is one of the more harmful risks that can be managed and mitigated by focusing on more than investments but also planning.

Additional risks include:

- ***Market Risk:*** The risk that investment returns will be affected by changes in the overall level of the stock market. When the stock market as a whole increases or decreases, virtually all stocks are affected to some degree.

- ***Equity Risk:*** Historically, the equity markets have moved in cycles, and the value of equity securities can fluctuate significantly from day-to-day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies can suffer a decline in response. These factors contribute to price volatility.

- ***Credit Risk:*** The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.

- ***Interest Rate Risk:*** The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa. Interest rate risk is commonly measured by a bond's duration, the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors can incur a gain or loss from bonds sold prior to the final maturity date. Many bonds are rated by a third party Nationally Recognized Statistical Rating Organization (NRSRO), for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance. U.S. Treasury bills, notes and bonds are guaranteed by the full faith and credit of the United States and therefore are generally deemed to carry virtually no risk of default.

- ***Prepayment Risk*****:** Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond's maturity date, thereby changing the expected payment schedule of the bonds. Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop in interest rates can trigger a refinancing wave. When investors in a bond comprised of the underlying pool of mortgages receives his or her principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.

- ***Reinvestment Rate Risk:*** The risk incurred when an investment's income is reinvested at a lower rate than the rate that existed at the time the original investment was made. This risk is most prevalent when interest rates fall.

- ***Purchasing Power Risk (Inflation Risk)*:** The risk that inflation will affect the return of an investment in real dollars. In other words, the amount of goods that one dollar will purchase decreases with time. Investments that have low returns, such as savings accounts, are not likely to keep up with inflation. Investments with fixed returns, such as bonds, will decrease in value because their purchasing value will decrease with inflation.

- ***Business Risk*:** The risk associated with a particular industry or firm. These are factors that affect the industry or firm, but do not affect the whole market. They include government regulations, management competency, or local or regional economic factors.

- ***Financial Risk*:** The risk associated with the mix of debt and equity used to finance a company. The greater the financial leverage, the greater the financial risk.

- ***Currency Risk (Exchange Rate Risk)*:** The risk that a change in the value of a foreign currency relative to the U.S. dollar will negatively affect a U.S. investor's return.

- ***Foreign Risk*:** Investments in foreign securities pose special risks, including currency fluctuation and political risks, and such investments can be more volatile than that of a U.S. only investment. The risks are generally intensified for investments in emerging markets.

- ***Political and Legislative Risk*:** Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States or those companies who conduct a substantial amount of their business outside of the United States.

- ***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. Alternative investments carry a higher level of illiquidity risk.

- ***Margin Risk:*** In addition to the information on margin accounts listed in Item 4 above, there are a number of risks that clients need to consider before deciding to open a margin account. These risks include, but are not limited to the following:

  - An owner of a margin account can lose more assets than deposited. A decline in the value of securities that are purchased on margin usually requires the owner to provide additional monies to the account to avoid the forced sale of those securities or other securities in the margin account.

  - The brokerage firm can force the sale of securities in a margin account. If the equity in the account falls below the maintenance margin requirements under the law—or the brokerage firm's higher "house" requirements—the brokerage firm can sell the securities in the margin account to cover the margin deficiency. The owner would be responsible for any short fall in the account after such a sale.

  - The brokerage firm can sell securities in the margin account without contacting the owner. However, as a matter of good customer relations, most brokerage firms will attempt to notify their customers of margin calls even though they are not required to do so.

  - An owner of a margin account is not entitled to an extension of time on a margin call. While an extension of time to meet initial margin requirements may be granted by the brokerage firm under certain conditions, they are not required to provide any extension. In addition, they also are not required to provide an extension of time to meet a maintenance margin call.

- ***Leverage Risk***: Returns, whether positive or negative, will be amplified in a levered investment, and the leverage itself has a cost which affects real return. When the markets experience a meaningful price decline, levered investments will go through a period of amplified negative returns. This makes levered investments unsuitable to hold on a long-term basis or indefinitely. Borrowing in Alternative Investments is often higher than in traditional publicly traded stocks, bonds, mutual funds, and ETFs making them more susceptible to negative impacts of Leverage Risk.

- ***Transparency Risk***: The risk incurred when the current holdings of an investment and the prices of its internal holdings differing because they are less frequently communicated or updated. Regulatory and filing requirements may be less stringent for certain alternative funds and structures. Alternative funds often provide lower transparency as to their holdings, assets, expenses, and returns at any point in time.

ITEM 9: DISCIPLINARY INFORMATION

The Firm is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or integrity of management. Exencial is including the following disclosure regarding two of its investment adviser representatives:

Mr. David C. Poudrier, who is an investment adviser representative of Exencial, entered into a Stipulation and Consent Agreement with the State of Florida Office of Financial Regulation which found that he rendered investment advice from Florida without being appropriately registered by the Office. Exencial investigated and determined this was due to an administrative error and concluded that no willful misconduct had occurred. Please refer to Exencial's Form ADV Part 1 for further details, which can be obtained at https://adviserinfo.sec.gov/firm/summary/130475.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

This item requires investment advisers to disclose certain financial industry activities and affiliations.

First United Partnership

As outlined in Item 4, First United formed a partnership with Exencial in June 2021 through the purchase of a minority interest in Exencial and then expanded its ownership to 25% in June 2022. Through a series of repurchases and new Exencial units being issued in conjunction with acquisitions, First United's ownership is approximately 12% as of December 31, 2025. As part of this partnership, Exencial created a Board of Directors ("Board") for the purpose of corporate governance. The Board's directors are the "Elected Managers" under Exencial's Operating Agreement, which include Exencial's Chief Executive Officer, President, one senior officer from First United, and one person not affiliated with either firm.

The partnership allows Exencial to provide clients with access to First United's personal banking, commercial lending, insurance, and mortgage services. Similarly, Exencial's comprehensive wealth management services are made available to First United clients. Due to the First United's ownership interest in Exencial, a conflict of interest exists since Exencial will receive a benefit by way of management fees when a First United client becomes a client of Exencial. First United also will receive an indirect benefit when this happens, since it has an ownership in the Firm and will receive renumeration in the form of membership distributions in accordance with Exencial's Operating Agreement. Importantly, neither Exencial clients nor First United clients are required to use the services of Exencial or First United and are free at any time to select any investment advisory firm or bank of their choosing.

Acquiring Certain Third-Party Registered Investment Advisory Firms

From time to time, Exencial acquires the assets of unaffiliated third-party investment advisory firms. These acquisitions allow Exencial to add to its pool of very talented personnel, and in some cases give the Firm the ability to expand its service offerings and office locations.

An acquisition also can create one or more conflicts depending on the arrangement. For example, Exencial has in the past, and can in the future, honor fee arrangements that the acquired firm has in place with its clients, which include a lower minimum fee, a management fee that is lower than the then current fee being charged by Exencial, and/or billing terms that are more advantageous to those clients. Importantly, clients of the acquired firm are notified of the acquisitions and any disclosures regarding applicable material conflicts are provided.

To further its strategic efforts in making acquisitions, Exencial entered into an agreement with SEI Investments Company ("SEI") to participate in the Pathfinder Program. The Pathfinder Program connects Exencial to other firms with assets custodied at SEI who are considering a transaction involving their business. Neither Exencial nor any prospective firms in the Pathfinder Program pay a fee to SEI for making this introduction.

Certified Public Accountants

Certain of Firm's Supervised Persons are certified public accountants ("CPAs"). Exencial offers tax planning and tax preparation as part of the services available to Wealth Management, Financial Planning Consulting, and Executive Services clients. To the extent that a prospective client specifically requests only accounting advice and/or tax preparation services, the Firm generally recommends the services of its CPAs. The recommendation we make to use our CPAs creates a potential conflict of interest due to the fact that Exencial will receive compensation (fees for the services) should a prospective client agree to receive the tax services from our CPAs. However, prospective clients are not required to accept the recommendation and are free to obtain tax services elsewhere. The Firm's CPAs do not receive any additional compensation (other than salary and bonus) or incentives for the tax services provided.

Licensed Insurance Agents

A number of the Firm’s Supervised Persons are licensed insurance agents and, depending on client needs, will offer certain insurance products on a fully disclosed commissionable basis. In addition, certain of these licensed insurance agents receive incentive compensation from the insurance companies depending on the amount of insurance sold. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where the Firm and/or its Supervised Persons are entitled to insurance commissions or other additional compensation when clients purchase the insurance products.

Please refer to the disclosures below under “Addressing Associated Conflicts” for further information on how Exencial mitigates the referenced conflicts.

Broker-Dealer Registration

Matthew Weinheimer, Sr. Wealth Advisor of Exencial, is also a registered representative (“RRs”) with Purshe Kaplan Sterling Investments (“PKS”), which is an unaffiliated registered broker-dealer and member of the Financial Industry Regulatory Authority (“FINRA”). As a PKS RR, Mr. Weinheimer works with PKS clients that are assigned to him, making investment recommendations to buy and sell various securities and/or investment products. There are also times when a PKS RR recommends that an Exencial client open an account at PKS to implement certain recommendations.

Serving as a PKS RR is an outside business activity, which is performed by Mr. Weinheimer through his employment with and under the trade name of “Parkstone Investments, LLC” (“Parkstone”). Caleb Dillard, who is a Member and Elected Manager of Exencial and serves as the President of Exencial, is also employed by Parkstone in an administrative capacity. Parkstone is a limited liability company that is majority-owned by Mr. Dillard and Mr. Weinheimer, as Class A share members (i.e., voting members). Exencial owns a minority interest in Parkstone as a Class B share member (i.e., non-voting member). Parkstone has entered into a cost-sharing agreement with Exencial, whereby Exencial provides non-securities-related services for the PKS RR, which include but are not limited to marketing, compliance, human resources, payroll, and benefits administration.

In performing services as a PKS RR, Mr. Weinheimer is directly paid compensation by PKS. This compensation can vary depending on the type of investment and the amount invested by a PKS client and include, but not be limited to commissions on transactions, upfront and back-end sales loads, deferred redemption fees, and ongoing 12b-1 distribution fees.

Both the outside business activity and the compensation received create conflicts of interest. Please read the information below under “Addressing Associated Conflicts.”

Addressing Associated Conflicts

To address the above outlined conflicts, Exencial and its representatives will only make investment and account recommendations to clients that are believed to be in the client’s best interest. In determining best interest, Exencial IARs have discussions with each client and gather detailed information on client goals and investment objectives, both at the beginning of the engagement and thereafter during the relationship. Clients are not required and are under no obligation to implement any recommendations made by Exencial and/or any of its representatives. Also, should a client decide to implement any such recommendations, the client is not required or obligated to implement any through Exencial, PKS, or any recommended third party. Clients should understand that fees and commissions for comparable services vary, and lower fees may be obtained through a different advisory and/or brokerage firm.

Exencial also provides disclosures to its clients, mainly by delivery of this Disclosure Brochure and the Form ADV Part 2B for each of its adviser representatives.

Notably, specific details of the outside business activities of Exencial representatives, including the amount of time spent and the compensation received by them from such outside business activities, including how much such compensation accounts for in relation to their annual income is outlined in their Form ADV Part 2B – Disclosure Supplement, which is provided to all new clients. Also, a copy can be obtained by contacting us directly.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

The Firm has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of its Supervised Persons and focuses on three specific areas where Supervised Persons conduct has the potential to adversely affect the client: misuse of confidential information; personal securities trading and outside business activities. Failure to uphold the Code of Ethics can result in disciplinary sanctions, including termination of employment with the Firm. Any client or prospective client may request a copy of the Firm's Code of Ethics which will be provided at no cost.

The following basic principles guide all aspects of the Firm's business and represent the minimum requirements to which the Firm expects Supervised Persons to adhere:

- Clients' interests come before the interests of the Firm and Supervised Persons.
- The Firm must fully disclose all material facts about conflicts of which it is aware between the Firm and its Supervised Persons' interests on the one hand and clients on the other.
- Supervised Persons must operate on the Firm's behalf and on their own behalf consistently with the Firm's disclosures and to manage the impacts of those conflicts.
- The Firm and its Supervised Persons must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and its Supervised Persons must always comply with all applicable securities laws.

Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Supervised Persons may not convey nonpublic information nor depend upon it in placing personal or client securities trades.

Personal Securities Trading

Supervised Persons are permitted to buy or sell securities that the Firm recommends to clients, including private funds, which creates a potential conflict of interest. To address such conflict, Exencial's Code of Ethics contains certain requirements with regard to personal trading by Supervised Persons. For example, each Supervised Person must obtain written preapproval before making certain investments such as purchases of initial public offerings and/or limited offerings (*e.g.,* private funds). Also, no Supervised Person may trade in stock, bonds, or derivatives of companies with which the Firm has an Executive Services agreement.

Additionally, except under circumstances outlined below, when the Firm is purchasing or considering for purchase any security on behalf of a client, no Supervised Person may affect a transaction in a personal account in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when the Firm is selling or considering the sale of any security on behalf of a client, no Supervised Person may affect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. Exceptions include: (a) transactions in: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds; and (b) when a Supervised Person is participating in an aggregated trade with clients and each participant receives the same average price For further information on aggregated trades, please refer to Item 12 below.

Supervised Persons also are required to submit reports of personal securities trades on a quarterly basis, and securities holdings annually. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

Outside Business Activities

Supervised Persons are required to report any outside business activities generating revenue. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed, or the Supervised Person may be directed to cease such activity. Supervised Persons may be directors of publicly traded entities only with prior approval of the Chief Compliance Officer.

ITEM 12: BROKERAGE PRACTICES

Exencial utilizes the services of independent third-party custodians to maintain custody of assets managed by the firm. We recommend a custodian / broker-dealer (typically Fidelity or Schwab) who will hold your assets and execute transactions on terms that are overall advantageous. In seeking best execution, we consider a wide range of factors in determining a recommendation, including but not limited to:

- Financial strength and stability
- Reputation
- Execution
- Pricing
- Research
- Competitive commission structure
- Range of mutual funds available
- Quality of services and reporting
- Information on the Internet

- Availability of service staff
- Accessibility of branches

Fidelity Custodian Arrangement

The Firm has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides Exencial Wealth Advisors with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping, and related services that are intended to support intermediaries like the Firm in conducting business and in serving the best interests of their clients but that benefit the Firm. Exencial Wealth Advisors is not affiliated with Fidelity.

Fidelity charges brokerage commissions and transaction fees for affecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables the Firm to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to the Firm, at no additional charge, certain research, and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by the Firm (within specified parameters). These research and brokerage services are used by Exencial Wealth Advisors to manage accounts for which the Firm has investment discretion. The Firm also receives additional services, which include services that do not directly benefit clients. As a result of receiving these services at no additional cost, the Firm has an incentive to continue to use or expand the use of Fidelity's services, which creates a conflict of interest.

Schwab Custodian Arrangement

Client Custody and Brokerage Costs
For clients' accounts that Schwab maintains, Schwab is compensated by charging the client commissions or other fees on trades that it executes or that settle into the client's Schwab account. Schwab's commission rates applicable to client accounts were negotiated based on a commitment to maintain $10 million of clients' assets at Schwab. This arrangement benefits clients utilizing Schwab because the overall commission rates a client pays may be lower than they would be if the Firm had not made the commitment. Certain trades (for example, mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program.

Products and Services Available to the Firm from Schwab
Schwab Advisor Services is Schwab's business serving independent investment advisory firms. They provide the Firm and clients custodied at Schwab with access to its institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help the Firm manage or administer Schwab custody clients' accounts while others help the Firm manage and grow its business. Schwab's support services are generally available on an unsolicited basis and at no charge to the Firm as long as we maintain the minimum asset commitment outlined above. Below is a more detailed description of Schwab's support services.

Services that Benefit Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which the Firm might not otherwise have access or that would require a significantly higher minimum initial investment by clients.
Schwab's services described in this paragraph generally benefit the Firm's Schwab custodied client accounts.

Services that Do Not Directly Benefit Clients
Schwab also makes available to the Firm other products and services that benefit the Firm but do not directly benefit clients. These products and services assist the Firm in managing and administering clients' accounts maintained at Schwab. They include investment research, both Schwab's own and that of third parties. Exencial Wealth Advisors can use this research to service all or some substantial number of clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements);
- Facilitates trade execution and allocates aggregated trade orders for multiple client accounts;
- Provides pricing and other market data;
- Facilitate payment of our fees from our clients' accounts; and
- Assists with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only the Firm
Schwab also offers other services intended to help the firm manage and further develop its business enterprise. These services include:

- Educational conferences and events
- Technology, compliance, legal, and business consulting
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services. Schwab also discounts or waives certain of its fees for some of these services or will pay all or a part of a third party's fees. Schwab also provides the Firm with other benefits such as occasional business entertainment of our personnel.

The Firm's Interest in Schwab and Fidelity Services

The availability and provision of certain services from these custodians benefits the Firm because it does not have to produce or purchase them. This creates an incentive for the Firm to recommend that a client maintain their account with one of these custodians based on the Firm's interest in receiving the services that benefit the Firm's business rather than based on clients' interest. This is a conflict of interest. However, the Firm believes that our selection of these custodians as recommended custodians and brokers is in the best interests of its clients. It is primarily supported by the scope, quality and price of the services provided and not on the services that benefit only the Firm. In addition, as a fiduciary to our clients, Exencial is required to put our clients' interests ahead of our own. Also, to address the conflict, we provide disclosures regarding the conflict to clients, mainly through the delivery of this Disclosure

Brochure. Please refer to Item 14 below for additional information on the benefits received by Exencial from these custodians and the associated conflicts of interest.

Prime Brokerage Arrangements

The Firm usually recommends that clients enter into a prime brokerage arrangement with their custodian. This arrangement allows the Firm to place a trade for a client's account with a different broker for execution and then the securities bought or the funds from the securities sold are deposited (settled) into the client's custodian account. The Firm mainly does this when trading fixed income securities, and only when the Firm believes it will result in best execution.

Under these arrangements, the custodian usually charges a flat dollar amount for its services as custodian and "prime broker." These fees are in addition to the commissions or other compensation a client will pay the executing broker-dealer.

Best Execution

For Wealth Management clients, the Firm generally has full discretion to place trades with or through any brokers it deems appropriate in order to obtain best execution. The Firm's general policy is to place client trades with their broker custodian (e.g., Fidelity or Schwab) and the Firm will continue to do so as long as it believes that the custodian is providing the best overall deal for the client, and they remain competitive in relation to executions and the cost of each transaction. The exception to this policy is when trades are placed under the prime brokerage arrangement described above.

The Firm strives to achieve the best execution possible for client securities transactions, but this does not require the Firm to solicit competitive bids or seek the lowest available commission cost. In striving for best execution, the Firm considers whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among other things, the value of research provided, execution capability, commission rates, and responsiveness. The Firm is not required to negotiate "execution only" commission rates, thus the client may be deemed to be paying for research and related services (i.e., "soft dollars") provided by the broker/custodian which are included in the commission rate.

To monitor and review the Firm's best execution efforts, the Firm has a Best Execution Committee that periodically (and no less often than annually) evaluates the trading process and broker/custodians utilized. As part of the evaluation, the Best Execution Committee will consider the full range of services offered by the custodians and brokers, along with the conflicts applicable to the arrangements.

Trade Correction Policy

The Firm has procedures in place to limit any trade errors by the Firm. Where trade errors do occur, however, corrections are submitted to client custodians to restore the affected client to the condition he/she expects to be in, which can result in a gain or loss for the client. These trade corrections are processed out of trade correction accounts set up with our custodians creating either a gain or loss from each correction within it. Some custodians absorb gains or losses generated under $100.

Exencial has procedures in place so that gains from corrections are processed at a regular interval and paid out to a charity of either the Firm's choice or the custodian's choice. The Firm will compensate the client (either through a refund or fee reduction) for any additional trading costs due to the error (including the erroneous trade and costs to fix the trade, but not the amount that client would have paid for the proper trade). The Firm believes that this process fully restores the client to the condition they would have been had the trade error not occurred.

The Firm believes that this policy is in the best interest of clients. The Firm does not receive any kind of financial compensation from the receiving charity to entice more trade corrections.

Separate Account Managers (SAMs)

Each SAM selected for managing a portion of a client's assets is provided with trading authority over those assets through the applicable agreements. SAMs, like Exencial, have a fiduciary duty to the Exencial client to seek best execution on the trades placed on the client's behalf.

The Form ADV Part 2A for each SAM outlines, among other things, the SAM's brokerage and best execution procedures. This document is provided to each client utilizing a SAM and it is important for clients to read the document to fully understand the SAM's trading practices, including any associated conflicts.

Research, Software and Other Soft-Dollar Benefits

Consistent with obtaining best execution, the Firm can direct brokerage transactions to certain broker-dealers in return for investment research products and/or services which assist Exencial Wealth Advisors in its investment decision-making process. This practice is commonly referred to as "soft dollars." The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because the Firm does not have to produce or pay for the products or services, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio.

Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)") generally allows investment advisers to use client commissions to pay for certain research and brokerage products and services under certain circumstances without breaching their fiduciary duties to clients. For these purposes, "research" means services or products used to provide lawful and appropriate assistance to the Firm in making investment decisions for its clients. "Brokerage" services and products are those used to affect securities transactions for clients or to assist in effecting those transactions.

Research and other products and services purchased with soft dollars will generally be used to service all of the Firm's clients, but brokerage commissions/transaction costs paid by one client can be used to pay for research that is not used in managing that client's portfolio, as permitted by Section 28(e). In other words, there can be certain client accounts that benefit from the research services, which did not make the payment of commissions to the broker- dealer providing the services.

Brokerage services obtained with soft dollars can include, for example, quotation and communication equipment and services, other order management systems that provide trading software or provide connectivity to such software, trade analysis software, on-line pricing services, communication services relating to execution, clearing and settlement and message services used to transmit orders.

Research and related services furnished by brokers can include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; recommendations as to specific securities; portfolio evaluation services; financial database software and services; computerized news, pricing and statistical services; and discussions with research personnel, along with hardware, software, data bases and other technical and telecommunication services and equipment utilized in the investment management process. Research received by the Firm under such soft dollar arrangements can include both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

As outlined above in this section, the Firm receives certain services and benefits from Schwab and Fidelity, without cost to the Firm, when client's custody their managed account assets with these custodians.

In fulfilling its fiduciary duties to its clients, the Firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Firm's receipt of economic benefits from a custodian or broker creates a conflict of interest since these benefits can influence the Firm's choice of custodian to recommend and/or broker to trade with over others that do not furnish similar services and benefits.

The Firm's Best Execution Committee monitors and reviews the Firm's soft dollar arrangements to help ensure they continu e to be in line with the requirements of Section 28(e).The Firm is not engaged in any contracted soft dollar arrangements at this time.

Trade Aggregation, Rotation, and Allocation

Transactions for each client generally will be affected independently unless the Firm decides to purchase or sell the same securities for several clients at approximately the same time. When this occurs and the Firm believes it to be in the best interest of clients, the Firm will combine such trade orders into one or more "block" trades in an effort to obtain best execution. Client trades are aggregated into a block trade by executing broker (i.e., trade group), so there are times when more than one block trade is created for the purchase or sale of the same security. There also are times when one or more Supervised Persons want to purchase or sell the same security as clients at the same time. When that occurs, such transactions are allowed to be included in a block trade.

This aggregation of trades and the placement of such trades can give rise to potential or actual conflicts of interest among the accounts for whom the security purchase or sale is appropriate, and among the subset of those accounts actually participating in a block trade, especially if a block trade order results in a partial fill. In order to address these conflicts, Exencial has adopted applicable policies and procedures, with the goal of providing an objective and equitable method so that all clients are treated fairly. Below is a summary of Exencial's policies:

a. Exencial will only aggregate trades when it believes that such aggregations are consistent with its duty to seek best execution.
b. Exencial will strive to ensure that no single participating account in the block trade would be favored over any other participating account.
c. Exencial uses a trade rotation process when placing block trades to help ensure no trade group receives placement priority over other trade groups.
d. Each client that participates in a block trade will receive the average weighted executed share price obtained for that block trade.
e. Partial fills of any block trade will be allocated on a pro-rata basis among participating clients, unless such allocation is not appropriate for such clients. If that occurs, the Firm's Chief Investment Officer will determine allocation based on various factors, such as cash in accounts, size of client order, and liquidity of the security.

Allocation of Investment Opportunities in Private Funds

As discussed in Item 8, the Firm recommends investments in private funds to certain qualifying clients. Mostly, these types of investments are available only to a limited number of qualifying investors. Private funds fall under the definition of "limited offerings" since they only accept a limited amount of funds for investment.

When determining which clients should receive a recommendation to invest in a fund, the Firm considers a number of factors, including but not limited to a client's sophistication, risk tolerances and qualifications, investment objectives, and the amount of available assets in client accounts. As a fiduciary, the Firm must allocate these investment opportunities in a fair and balanced manner. However, given the differing factors considered, the allocation of investment opportunities in private funds to clients is mainly subjective and not all qualifying clients will be provided an investment opportunity. Additionally, there are times when one or more of the Firm's employees may invest in a private fund that is recommended to clients. When this occurs, a conflict exists due to the fact the fund only accepts a limited amount of assets.

To address the conflict, all employees looking to invest in a private fund offering are required to obtain prior written approval from the CCO. If the private fund is over-subscribed, allocation of the fund to clients and employees will be made on a pro-rata basis.

Directed Brokerage

Clients may not request that trades be enacted through a specific broker-dealer. The Firm generally requires clients to use one of the Firm's recommended broker-dealers as account custodian. Not all advisors require their clients to use a particular custodian or broker-dealer. Some clients may currently have account custodians other than those recommended by the Firm and are reminded that the Firm is unable to negotiate commissions or include trades in these accounts in any aggregated or block trades. It is possible, therefore, that these clients directing trades or custodial relationships may receive worse executions, higher commissions, and/or worse prices than other clients of the Firm.

ITEM 13: REVIEW OF ACCOUNTS

For clients receiving Wealth Management services, the Firm monitors those client portfolios as part of an ongoing process. Account review meetings are offered to clients on at least an annual basis; however, generally the Firm's representatives meet with clients two to four times per year on average. Additional reviews can be triggered by events such as a change in a client's financial position or investment objective, unusual market or economic circumstances or other unforeseen events. For clients receiving Executive Services, the Firm conducts regular reviews which will depend upon the services being provided and the client's needs. For clients receiving Financial Planning Consulting services, reviews are conducted on an "as needed" basis. All client reviews are conducted by one of the Firm's investment adviser representatives. Clients are encouraged to keep the Firm informed of changes in their financial status or in their needs, goals, objectives, risk appetite or other factors related to their investments.

Unless otherwise agreed upon, clients are provided with transaction confirmations and account statements directly from the custodian of their accounts. Wealth Management Services clients can also receive account reports directly from Exencial Wealth Advisors. These can include an inventory of account holdings as well as investment performance.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Firm generally recommends that clients use Fidelity or Schwab as their custodian. While there is no direct link between the investment advice given to clients and the Firm's recommendation to use Fidelity or Schwab as their custodian, certain benefits are received by the Firm due to these arrangements. Fidelity and Schwab make available to the Firm other products and services that benefit the Firm but do not benefit its clients' accounts. Some of these other products and services assist the Firm in managing and administering clients' accounts. While as a fiduciary, the Firm endeavors to act in its clients' best interests, these arrangements give the Firm an incentive to recommend that clients maintain their assets in accounts at Fidelity or Schwab due to the benefits and services received by the Firm. This creates a conflict of interest. Please refer to Item 12 above for further information.

Client Referral Arrangements

Fidelity Wealth Advisor Solutions Program

Exencial Wealth Advisors participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which Exencial receives referrals from Strategic Advisers LLC ("Strategic Advisers"), a registered investment adviser and Fidelity Investments company. Exencial is independent and not affiliated with Strategic Advisers or any Fidelity Investments company. Strategic Advisers does not supervise or control Exencial, and Strategic Advisers has no responsibility or oversight for Exencial's provision of investment management or other advisory services.

Under the WAS Program, Strategic Advisers acts as a promoter for Exencial, and Exencial pays referral fees to Strategic Advisers for each referral received based on Exencial's assets under management attributable to each client referred by Strategic Advisers or members of each client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from Strategic Advisers to Exencial does not constitute a recommendation or endorsement by Strategic Advisers of Exencial's particular investment management services or strategies. More specifically, Exencial pays the following amounts to Strategic Advisers for referrals: the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as "fixed income" assets by Strategic Advisers and (ii) an annual percentage of 0.25% of all other assets held in client accounts. In addition, Exencial has agreed to pay Strategic Advisers a minimum annual fee amount in connection with its participation in the WAS Program. These referral fees are paid by Exencial and not the client. This creates a conflict of interest. Please refer to Item 12 above for further information.

To receive referrals from the WAS Program, Exencial must meet certain minimum participation criteria, but Exencial may have been selected for participation in the WAS Program as a result of its other business relationships with Strategic Advisers and its affiliates, including Fidelity Brokerage Services, LLC ("FBS"). As a result of its participation in the WAS Program, Exencial has a potential conflict of interest with respect to its decision to use certain affiliates of Strategic Advisers, including FBS, for execution, custody and clearing for certain client accounts, and has an incentive to suggest the use of FBS and its affiliates to its advisory clients, whether or not those clients were referred to Exencial as part of the WAS Program.

Under an agreement with Strategic Advisers, Exencial has agreed that it will not charge clients more than the standard range of advisory fees disclosed in its Form ADV 2A Brochure to cover solicitation fees paid to Strategic Advisers as part of the WAS Program. Pursuant to these arrangements, Exencial has agreed not to solicit clients to transfer their brokerage accounts from affiliates of Strategic Advisers or establish brokerage accounts at other custodians for referred clients other than when Exencial's fiduciary duties would so require. Exencial has agreed to pay Strategic Advisers a one-time fee equal to 0.75% of the assets in a client account that is transferred from Strategic Advisers' affiliates to another custodian; therefore, Exencial has an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of Strategic Advisers. This creates a conflict of interest. However, participation in the WAS Program does not limit Exencial's duty to select brokers on the basis of best execution.

Promoter Arrangements

In accordance with Rule 206 (4)-1 of the Investment Advisers Act of 1940, our firm provides cash or non-cash compensation directly or indirectly to unaffiliated persons ("Promoters") for testimonials or endorsements (which include client referrals), which may be paid as a flat fee per referral and/or a percentage of advisory fees. Such compensation arrangements will not result in higher costs to the referred client. In this regard, our firm maintains a written agreement with each Promoter that is compensated for testimonials or endorsements in an aggregate amount of $1,000 or more (or the equivalent value in non-cash compensation) over a trailing 12-month period in compliance with Rule 206 (4)-1 of the Investment Advisers Act of 1940 and applicable state and federal laws. The following information will be disclosed clearly and prominently to referred prospective clients at the time of each testimonial or endorsement:

- Whether or not the unaffiliated person is a current client of our firm,
- A description of the cash or non-cash compensation provided directly or indirectly by our firm to the unaffiliated person in exchange for the referral, if applicable, and
- A brief statement of any material conflicts of interest on the part of the unaffiliated person giving the referral resulting from our firm's relationship with such unaffiliated person.

Because these third-party Promoters are independent of and unaffiliated with Exencial, a conflict of interest exists between prospective clients and the Promoter.

Exencial previously entered into a promoter agreement with Zoe Financial, Inc., an independent an unaffiliated investment adviser ("Zoe") to participate in the Zoe Advisor Network ("ZAN"), an advisor referral service designed to introduce prospective clients to investment advisors through an interactive web-based program. Exencial discontinued its participation in ZAN as of December 31, 2023; however, Exencial continues to pay Zoe fees for each client relationship established as a result of past successful referrals received by Exencial through the service.

<u>Economic Benefits Received from Third Parties</u>

Exencial receives an economic benefit from Schwab in the form of the support products and services it makes available to the Firm. In addition, Schwab has also agreed to pay for certain products and services for which Exencial would otherwise have to pay, including certain technology, research, marketing, operations, and compliance consulting. The receipt of the economic benefit is mainly contingent on Exencial maintaining a minimum amount of clients' assets in accounts at Schwab (see Item 12 above). Clients do not pay more for assets maintained at Schwab as a result of these arrangements. However, Exencial benefits from the arrangement because the cost of these services would otherwise be borne directly by us. This creates a conflict of interest since it incentivizes Exencial to recommend Schwab as custodian to clients.

From time to time, Exencial invests clients in Dimensional mutual funds ("DFA Funds"), which are generally available for investment only by institutional clients, clients of registered investment advisers, clients of financial institutions and a limited number of certain other investors as approved from time to time by Dimensional Fund Advisors ("Dimensional"). While the Firm does not receive or share in any of the fees charged by DFA Funds, Exencial does receive certain products and services from Dimensional at no cost. These include, but are not limited to, free admission to Dimensional conferences and workshops, newsletters and articles published by Dimensional, and access to a secure website that provides software that can be utilized to construct hypothetical portfolios and obtain reports based on such portfolios for use with prospects and clients. Since Exencial does not have to pay for any of these products and services, it creates a potential conflict of interest as it gives the Firm an incentive to recommend and/or invest clients in the DFA Funds.

To address the conflicts surrounding the economic benefits received by Exencial from Schwab and DFA Funds, the Firm has policies and procedures covering trading practices, including best execution, trade aggregation and allocation, and soft dollars. Importantly, as part of the Firm's fiduciary duty to clients, Exencial and its employees endeavor at all times to put the interests of the clients first and will only make investments for clients that the Firm believes are suitable and, in the client's, best interest.

Clients should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit Exencial, and the related conflicts of interest.

As outlined in Items 4, 5 and 10 above, certain Exencial advisory representatives are also insurance agents for unaffiliated insurance companies and/or registered representatives of an unaffiliated broker-dealer, and as such receive commissions and/or other compensation. This creates a conflict of interest, so please refer to the above items for further detail.

ITEM 15: CUSTODY

Pursuant to Rule 206(4)-2 of the Advisers Act, Exencial is deemed to have custody of client funds because the Firm has the authority and ability to debit its fees directly from the accounts of those clients receiving advisory services from the Firm. In addition, we have certain clients that have signed a Standing Letter of Authorization (SLOA) that gives the Firm the authority to transfer funds to a third-party as directed by the client in the SLOA. This activity also gives the firm custody. Firms with custody must take the following steps:

1. Ensure clients' managed assets are maintained by a qualified custodian.
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly.
3. Confirm that account statements from the custodian contain all transactions that took place in the client's account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the clients' accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempts Exencial from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from client accounts, Exencial must receive written authorization from clients permitting advisory fees to be deducted from the client's account.
2. In the case of SLOAs, Exencial must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to the Firm, and (ii) ensure that certain requirements are being performed by the qualified custodian.

In addition to the above, Exencial also has custody for performing bill paying services for certain clients. For those accounts, we obtain annual surprise audits from an independent accounting firm to help ensure client assets remain safeguarded.

Clients receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to any reports and/or statements provided by the Firm.

ITEM 16: INVESTMENT DISCRETION

The Firm is given the authority to exercise discretion on behalf of clients, which means it can affect transactions for the client without first having to seek the client's consent. The Firm is given this authority through a power of attorney included in the agreement between the Firm and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). The Firm takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The SAMs to be hired or fired.

ITEM 17: VOTING CLIENT SECURITIES

In cases where the Firm is responsible to vote proxies on securities held in a client's account, the Firm has adopted policies and procedures in an effort to ensure that all votes are cast in the best interests of clients and that the proper documentation is maintained relating to how the proxies were voted. These policies and procedures are summarized as follows: The Firm utilizes the service of a non-affiliated third-party proxy voting vendor ("Proxy Vendor") to vote proxies on behalf of the Firm and our clients. The Proxy Vendor votes proxies based on their guidelines, which the Firm has reviewed to ensure the manner in which shares will be voted will be in the best interest of clients and the value of the investment. In addition, we can, in some cases, cause a proxy to be voted contrary to the Proxy Vendor guidelines if we determine that such action is in the best interests of clients. In cases where sole proxy voting authority rests with the Firm for plans governed by ERISA, proxies for such accounts will be voted in accordance with the guidelines unless outlined otherwise in the plan's governing documents and subject to the fiduciary responsibility standards of ERISA.

If at any time, the Firm or the Proxy Vendor becomes aware of any type of potential or actual conflict of interest relating to a proxy proposal, such potential or actual conflict will be promptly reported to the Chief Compliance Officer. Conflicts will be handled in a number of ways depending on the type and materiality. The method selected will depend upon the facts and circumstances of each situation and the requirements of applicable laws and will always be handled in the client(s) best interest. The Firm may also choose not to vote proxies in certain situations or for certain accounts. For example, where a client has retained the right to vote the proxies or where a proxy is received for a client account that has been terminated. Also, we may be unable to vote proxies for a client that participates in a securities lending program.

A complete copy of our current Proxy Voting Policies & Procedures is available upon request. Clients may obtain information on how their proxies were voted by contacting the Firm at the principal office and place of business indicated on the cover page of this document.

ITEM 18: FINANCIAL INFORMATION

There are no financial conditions that exist which might negatively affect the Firm's ability to provide services to its clients.

Since the Firm's Executive Service program fees are paid annually in advance and total more than $1,200 per client, the Firm has included its audited balance sheet for the year ending December 31, 2025 in this Form ADV Part 2A. This audited balance sheet also has been provided to the Executive Services clients and is posted with this document on the SEC's website at www.adviserinfo.sec.gov.

EXENCIAL WEALTH ADVISORS, LLC

BALANCE SHEET

December 31, 2025

EXENCIAL WEALTH ADVISORS, LLC

Table of Contents

Michael L Mettry CPA

2525 NW Expressway Suite 200
Oklahoma City, OK 73112

INDEPENDENT AUDITOR'S REPORT

To the Members
of Exencial Wealth Advisors, LLC

Opinion

We have audited the accompanying balance sheet of Exencial Wealth Advisors, LLC (an Oklahoma limited liability company) as of December 31, 2025, and the related notes to the financial statement.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Exencial Wealth Advisors, LLC as of December 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Exencial Wealth Advisors, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Exencial Wealth Advisors, LLC's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Exencial Wealth Advisors, LLC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Exencial Wealth Advisors, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Michael Mettry

Oklahoma City, OK

March 12, 2026

EXENCIAL WEALTH ADVISORS, LLC
BALANCE SHEET
December 31, 2025

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	$	1,896,054
Accounts receivable		553,945
Due from Parkstone Investments		249,001
Members' notes receivable, current portion		2,057,099
Prepaid expenses		406,342
Total Current Assets		5,162,441
PROPERTY AND EQUIPMENT		
Computers and office equipment		186,418
Furniture and fixtures		228,591
Leasehold improvements		208,600
		623,609
Less accumulated depreciation		(451,730)
Net Property and Equipment		171,879
OTHER ASSETS		
Members' notes receivable, long-term portion		34,059,471
Goodwill net of $21,839,172 accumulated amortization		35,851,857
Loan origination fees net of $695,348 accumulated amortization		666,736
Other Investments		2,359
Deposits		48,572
Total Other Assets		70,628,995
TOTAL ASSETS	$	75,963,315

EXCENCIAL WEALTH ADVISORS, LLC
BALANCE SHEET
December 31, 2025

LIABILITIES AND EQUITY

CURRENT LIABILITIES		
Accounts payable	$	631,159
Accrued liabilities		660,967
Current portion, long-term debt		2,765,932
Deferred acquisition payments, short-term		3,344,682
Total Current Liabilities		7,402,740
LONG-TERM LIABILITIES		
Deferred acquisition payments		2,365,115
Long-term debt		28,591,531
Total Long-Term Liabilities		30,956,646
Total Liabilities		38,359,386
EQUITY		
Members' equity		37,603,929
Total Equity		37,603,929
TOTAL LIABILITIES AND EQUITY	$	75,963,315

A. Nature of Activities and Significant Accounting Policies

Organization and Basis of Presentation:

Exencial Wealth Advisors, LLC (the "Company") was formed as an Oklahoma limited liability company on April 3, 2014, by Burns Wealth Management, Inc., an Oklahoma corporation. The Company is treated as a partnership for federal income tax purposes. Burns Wealth Management, Inc. owns approximately 69.6% of the members' units as of the end of the year.

The Company is an SEC-registered investment advisor and manages domestic equity and balanced portfolios for institutional and high-net-worth individuals throughout the United States of America. The Company currently has offices in Oklahoma, Texas, California, Connecticut, and North Carolina.

As a limited liability company, the members are not personally liable for any of the debts, obligations, losses, claims, or judgments on any of the liabilities of the Company, whether arising in tort, contract, or otherwise, except as provided by law.

Accounting Standards:

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America. The accounting policies for these items and other significant accounting policies of the Company are presented below. The Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("Codification") is the official source of authoritative, nongovernmental accounting principles generally accepted in the United States of America ("US GAAP").

Accounting Estimates:

Management uses estimates and assumptions in the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. Significant estimates consist of estimated fair value allocations allocated to intangible and tangible assets and liabilities, and the estimated period of amortization of intangible assets. It is at least reasonably possible that the estimates used will change in the near term, and the changes could be significant to the financial statements.

Revenue Recognition:

The Company primarily bills customers in advance for services quarterly. Revenue is recognized over the term of the fee agreement. The Company records deferred revenue for the portion of advanced billings with a service period extending beyond the reporting period.

Cash and Cash Equivalents:

For the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At various times during the year, cash in the bank exceeded the federally insured limits.

Property and Equipment:

Property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives. Leasehold improvements are amortized over the lesser of the lease term or the estimated useful lives of the respective assets. The cost of property and equipment over $5,000 is capitalized. Maintenance and repairs are charged directly to expenses as incurred, while improvements are capitalized. The cost of the assets and applicable accumulated depreciation are removed from the respective accounts when the assets are retired or disposed. The resulting gain or loss is reflected in operations. There is no written maintenance policy.

Loan Origination Fees:

Loan origination fees are amortized over ten years by the straight-line method. The effect of loan origination fees amortization for the year ended December 31, 2025 is a decrease in the net book value of loan origination fees, an increase in expenses, and a decrease in net income of $265,567 for the current year's amortization expense.

Income Taxes:

No provision or benefit for federal income taxes has been included in these financial statements because taxable income or loss passes through to, and is reportable by, the respective members. The Company files federal and state partnership income tax returns in various state jurisdictions. The Company files partnership composite returns for certain states, which results in the respective state income taxes being remitted to the state by the Company on behalf of the respective members.

Fair Value of Financial Instruments:

The Company currently does not measure any of its assets or liabilities at fair value and is not required under generally accepted accounting principles to disclose the fair value of its financial instruments. Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The Company has not elected to measure any newly acquired financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

Advertising Expense:

Advertising costs are expensed as incurred.

Subsequent Events:

Effective February 2, 2026, the members of the Company entered into an Asset Purchase Agreement with Savant Capital Holdings, LLC and Savant Capital, LLC (together "Savant"). The tentative closing date is March 31, 2026, at which time any ongoing business operations of the Company related to the sold assets will cease.

Under terms of the agreement, the Company agrees to sell, convey, transfer, assign and deliver substantially all of the client and prospective client lists and compilations of all data, analysis, reports, and other relevant information; intellectual property, licenses and sublicenses; all rights under each investment advisory contract between the Company and consenting clients, office lease agreements; and all books and records of the Company and any other proprietary information.

Under the terms of the agreement, the Company retains responsibility for all liabilities of the Company not specifically acquired by Savant. The Company intends to pay all retained liabilities, including any debt obligations, with the proceeds of the sale.

All employees and key members of the Company have been offered employment with Savant. The Company does not anticipate the creation of any new material obligations as a result of the sale. The members are responsible for any tax liabilities incurred as a result of the sale.

The Company has evaluated subsequent events through March 12, 2026, which is the date these financial statements were available to be issued. All subsequent events requiring recognition or disclosure have been included in these financial statements.

B. Revenue from Contracts with Customers

The Company primarily bills customers quarterly in advance for services. Revenue is recognized over the term of the fee agreement. The Company records deferred revenue for the portion of advance billings with a service period extending beyond the reporting period. Wealth management fees are calculated as a percentage of assets under management, tailored to the size and complexity of the client's portfolio. Financial planning fees are a one-time nominal fee, with more complex clients requiring additional and recurring planning services. Tax preparation fees are priced according to the complexity of the client's tax needs.

The Company has contracts with customers to provide investment management services. The Company's performance obligations are to provide a financial plan tailored to each customer's needs and then provide an ongoing investment management service. The Company reviews and communicates investment strategies with its customers for a fee. The transaction price (i.e., management fees) is determined based on the terms in the contract, which are generally based on a percentage fee tier relative to the fair market value of the assets under management at the beginning of each quarter. The Company recognizes revenues in the period the services are delivered, which is when the performance obligation is considered complete.

C. Related Party Transactions

Burns Wealth Management, Inc. owns approximately 69.6% of the member units as of the end of the year. Burns Wealth Management, Inc. is owned by John F. Burns, Jr., and an irrevocable trust that benefits his family. Mr. Burns serves as Chief Executive Officer of Exencial Wealth Advisors, LLC., and is also a director of the Company.

A monthly management fee is paid to Burns Wealth Management Inc. in lieu of compensation for Mr. Burns' services.

The Company has a revolving credit facility with BWM Financial, LLC, which is owned 100% by Burns Wealth Management, Inc., for its respective shares. In addition, BWM Financial, LLC has separate installment loans due to the Company for debt obligations for the asset acquisitions of Shoreline Wealth Advisors, LLC, and Weinheimer Wealth Management, Inc. These loans are secured by the underlying individual loans from certain members with BWM Financial, LLC for their respective share of these acquisitions.

The landlord for the Oklahoma City office is GB Investments, LLC, which Mr. Burns and his wife own. Rents paid by the Company amounted to $240,000 for the year ending December 31, 2025. The current lease expires June 30, 2028, and is renewable at that time.

D. Notes Receivable from BWM Financial, LLC

The Company has entered into lending agreements effective January 2, 2024, with BWM Financial, LLC, which is owned 100% by Burns Wealth Management, Inc. The installment loans provided funding for the benefit of electing members to participate in the Shoreline Wealth Advisors, LLC (Shoreline) and Weinheimer Wealth Management, Inc. (Weinheimer) acquisitions which took place on February 17, 2023, and December 15, 2023, respectively.

The loans are secured by the individual member installment loans by BWM Financial, LLC, as lender, and the underlying units owned and pledged by the respective members of the Company.

The Shoreline installment loan had an original balance of $4,591,416 and a balance of $4,103,040 as of December 31, 2025. The interest rate is 3.77%, and the Company earned $197,539 for the year ended December 31, 2025. Terms of the note are for monthly installments currently at $33,318 per month through January 25, 2025, increasing to $41,607 per month beginning February 25, 2025, and $50,219 beginning February 25, 2026. The final installment is due January 15, 2033.

The Weinheimer installment loan had an original balance of $19,782,311 and a balance of $18,735,203 as of December 31, 2025. The interest rate is 3.77%, and the Company earned $625,564 for the year ended December 31, 2025. Terms of the note are for monthly installments currently at $164,612 through December 25, 2025, increasing to $192,346 beginning January 25, 2026, and $223,320 beginning January 25, 2027. The final installment is due December 25, 2033.

E. Notes Receivable from Members

Certain members participated in various asset purchases. The purchases were originally funded by a bank, and each of the respective members who participated incurred a note with Exencial Wealth Advisors, LLC, for their share of the purchase price. The notes are payable in monthly installments over 10 years, with final payment due in 2030 and 2033. The notes are secured by the respective members' ownership of Exencial Wealth Advisors, LLC.

F. Deferred Acquisition Payments

The Company, through prior years' acquisitions, has assumed obligations for future performance payments. The amounts reported as liabilities are based on the contractual agreements of the related acquisitions.

G. Retirement Plan

The Company sponsors a defined 401(k) savings plan, which is available to all employees meeting certain eligibility requirements as defined by the plan document. Under the plan, the Company makes contributions to the plan equal to employee contributions up to a limit of 3% of participant compensation. The Company's contributions totaled $472,411 for the year ended December 31, 2025.

H. Goodwill

The Company adopted the accounting alternative offered to nonpublic entities for the subsequent measurement of goodwill. Following this alternative, the Company amortizes goodwill over ten years on a straight-line basis. It only evaluates goodwill for impairment at the entity level when a triggering event occurs. The Company adopted an accounting alternative that allows it to evaluate goodwill impairment triggering events only at the end of each reporting period.

Goodwill is calculated as the excess of the purchase price paid over the identifiable net assets recognized. The goodwill recorded as part of the transaction primarily reflects the value of the Company's customer list and workforce and future potential earnings. Goodwill is amortized for over 10 years for financial statement purposes and 15 years for tax purposes. Amortization of goodwill was $5,707,372 for the year ended December 31, 2025. Goodwill is expected to be amortized at approximately $5,569,738 annually from 2026 until it is fully amortized.

The changes in the net carrying amount of goodwill are as follows:

Gross carrying amount	
Balance January 1	$ 57,346,373
Acquired through business acquisition	344,655
Balance December 31	$ 57,691,028
Accumulated amortization	
Balance January 1	$ 16,131,799
Amortization expense	5,707,372
Balance December 31	$ 21,839,171
Net Goodwill December 31	$ 35,851,857

I. Leases

The Company has office lease agreements in various locations. The lease agreements do not include any material residual value guarantees. The Weighted average lease term is 5.80 years. The discount rate is 8.25%, which is the Company loan rate. Lease payments for leases with a term of 12 months or less are expensed on a straight-line basis over the lease term with no lease asset or liability recognized.

The following summarizes the operating leases as of December 31, 2025:

Operating lease right-of-use assets	$ 2,439,472
Operating lease liabilities	
Current portion	1,173,564
Long-term portion	1,265,908
Total operating lease liabilities	$ 2,439,472

The maturities of operating lease liabilities that have initial or remaining terms of one year or more as of December 31, 2025 are as follows:

2026	$ 1,270,383
2027	814,906
2028	382,991
2029	132,500
2030	137,068
Thereafter	128,469
Total lease payments	2,866,317
Less: Interest	(426,845)
Present value of lease liability	$ 2,439,472

J. Notes Payable

The Company has a note payable to a bank, effective December 22, 2023, with an original balance of $29,664,826 and a balance of $25,775,811 as of December 31, 2025. Proceeds from the note were used to pay off existing debt, fund current-year acquisitions, and build cash reserves. The note agreement has a fixed monthly payment of principal and interest of $366,556 beginning February 1, 2024, and a balloon payment of $11,978,880 due December 22, 2030. The current interest rate is 8.36% per annum.

The company incurred a second note payable to the same bank, effective September 30, 2025, with an original balance of $5,596,000 and a balance of $5,535,499 as of December 31, 2025. Proceeds were used by the Company to acquire additional units from a current member. The note agreement has a fixed monthly payment of principal and interest of $67,503 beginning November 1, 2025, and a balloon payment of $2,225,693 due September 30, 2032. The current interest rate is 7.75% per annum.

The notes are secured by the Company's assets, including revenue associated with client accounts. In addition, certain partners, including Burns Wealth Management, Inc., and its shareholders, have guaranteed the loan.

The Company entered a revolving credit facility with BWM Financial, LLC, effective February 17, 2023. The note agreement provides for a revolving credit facility of up to $12,000,000 at an interest rate of 8.25%. The loan is due on December 31, 2026, and there are no prepayment penalties for payments on the note. As of December 31, 2025, the outstanding principal balance on the note was $46,152 and accrued interest of $11. BWM Financial, LLC is owned 100% by Burns Wealth Management, Inc.

The aggregate maturities of notes payable for each of the next five years are as follows:

Total	$ 31,357,462
Less current portion of Long-Term Debt	2,765,932
Non-current portion of Long-Term Debt	$ 28,591,530

Required principal payments until maturity are:

2026	$ 2,765,932
2027	2,954,082
2028	3,202,519
2029	3,484,489
2030	15,702,013
Thereafter	3,248,427
	$ 31,357,462

K. Unit Redemption Agreement

On October 4, 2023, the Company agreed to purchase 258,840 units from a current member, which represents their total ownership and approximately 25% of the outstanding units as of the date of the agreement. As of the date of this report, the Company has purchased the following units:

	2023	21,384	units	$ 2,500,109
	2024	65,856	units	7,699,900
	2025	44,799	units	5,500,000
Total		132,039	units	$ 15,700,009

The Company intends, but has no obligation, to purchase the remaining 126,801 units.