

# Childress Capital Advisors, LLC

## Form CRS - Customer Relationship Summary

March 27, 2025



### Is an Investment Advisory Account Right for you?

There are different ways you can get assistance with your investments. You should carefully consider which types of accounts and services are right for you.

Childress Capital Advisors, LLC (“CCA”) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. This document gives you a summary of the types of services we provide and how you pay. Please ask us for additional information.

We provide advisory accounts and services rather than brokerage accounts and services. Brokerage and investment advisory services fees can differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Relationships and Services.

#### *What Investment Services and Advice Can You Provide Me?*

We offer investment advisory services to retail investors including Investment management services, financial planning, and consulting services as well as third-party managers and/or Sub-Advisors.

If you retain our firm for investment management services, you will pay an ongoing asset-based fee at the end of each quarter for our services, based on the value of the cash and investments in your advisory account. We will meet with you in person if possible, otherwise by phone and/or computer to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use this information to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. Once we construct an investment portfolio for you, we will evaluate and rebalance your portfolio’s performance on an ongoing basis, although we do not provide formal account monitoring. As you will participate in our discretionary investment management services, the authorization will allow us to manage your account regarding the purchase and/or sale of investments without your approval prior to each transaction until the termination of our agreement. You may limit our discretion by providing our firm with your restrictions and guidelines in writing.

CCA also offers financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives and make investment allocation recommendations based on your investment profile. You will be responsible for implementing our investment advice.

We offer investment advisory services with a large selection of investments to individuals, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account. **For additional information, please see CCA’s ADV at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov) (Part 2A brochure, Items 4 and 7).**

#### ***Conversation Starters. Ask your financial professional –***

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

### Fees, Costs, Conflicts, and Standard of Conduct.

#### *What Fees Will I Pay?*

For Investment Management Services or Consulting, you will be charged an ongoing management fee based on the assets under management in accordance with the fee schedule presented in your agreement. Fees are typically charged quarterly in arrears based on the daily average balance value of the previous quarter. The asset-based fee reduces the value of your account and will be deducted from your account. Our current fee schedules are described in Item 5 of the Form ADV Part 2. **For additional information, please see CCA’s ADV at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov) (Part 2A brochure, Item 5).**

Investment management clients generally pay a tiered management fee ranging up to 1.0%, depending on the size of your account. Consulting clients generally pay a tiered consulting fee ranging up to 0.40%, depending on the size of your account. At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. Combining account values will increase your total assets under management, which may result in your paying a reduced advisory fee percentage. Although the effective management fee rate will decrease the larger your account, the total management fees you will

pay will likely increase as you increase the total amount of assets under our management, and therefore we generally have an incentive to encourage transferring or depositing additional assets into your account.

Other fees and costs may include custodian fees and account maintenance fees. Some investments (such as mutual funds) impose additional fees that will reduce the value of your investment over time or with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell the investment. In most relationships with third-party and/or Sub-Advisors, these fees would be in addition to the fees charged by CCA, paid directly to the third-party and/or Sub-Advisor, and CCA will not receive any portion of those fees or share in those fees. In certain relationships with third-party and/or Sub-Advisors, CCA may share in the standard management fees paid directly to the third-party and/or Sub-Advisor however, this does not represent a conflict as CCA will not share in any performance fees.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

***Conversation Starters. Ask your financial professional –***

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

***What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?***

When we act as your investment adviser, we are held to a fiduciary standard that covers our entire investment advisory relationship with you. We act in your best interest and do not put our interests ahead of yours.

At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here are some examples to help you understand what this means.

- Certain of the Firm’s Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully disclosed basis. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients’ best interest regardless of any such affiliations.

**For additional information, please see CCA’s ADV at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (Part 2A brochure, Item 10).**

***Conversation Starters. Ask your financial professional –***

- *How might your conflicts of interest affect me, and how will you address them?*

***How do your financial professionals make money?***

Our financial professionals are paid a salary plus discretionary bonuses based on company, team, and individual performance, which includes metrics like client retention, and referrals, and because the firm’s salaries are ultimately derived, from revenue the firm earns from the financial professional’s advisory services or recommendations.

## **Disciplinary History**

***Do you or your financial professionals have a legal or disciplinary history?***

No. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

***Conversation Starters. Ask your financial professional –***

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

## **Additional Information**

For additional information about our services, including up-to-date information about the firm and/or a copy of this disclosure, please call Don Childress at (832) 404-2104. To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC’s toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, investment account, or financial professional, you may contact us in writing at 952 Echo Lane, Suite 365, Houston, TX 77024.

***Conversation Starters. Ask your financial professional –***

- *Who is my primary contact person? Is he or she a representative of an investment adviser or broker dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*



# Form ADV Disclosure Brochure

March 27, 2025

Office Location:

952 Echo Lane, Suite 365

Houston, TX 77024

(832) 404-2104

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

This Brochure provides information about the qualifications and business practices of Childress Capital Advisors, LLC ("Childress Capital Advisors" or "the Firm"). If you have any questions about the contents of this brochure, please contact us at the telephone number listed above. For compliance specific requests, please call 971-371-3450. 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 the Firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm has filed to become an SEC registered investment adviser. Registration does not imply any level of skill or training.

## **ITEM 2 - MATERIAL CHANGES**

In this Item, Childress Capital Advisors, LLC (hereby known as “Childress Capital Advisors,” “CCA” or the “Firm”) is required to discuss any material changes that have been made to the Brochure since the last annual amendment. The business practices of the Firm are substantially the same as represented in the Firm’s previous and current years’ annual updated Brochures.

Material changes since the last annual update of this brochure include:

- No material changes

We will ensure that all current clients receive a Summary of Material Changes and updated Brochure within 120 days of the close of our business’ fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Childress Capital Advisors is # 310277. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Daniel Roberts, Chief Compliance Officer at (402) 990-2768 or [droberts@pattentraining.com](mailto:droberts@pattentraining.com).

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## ITEM 4 - ADVISORY BUSINESS

### Description of Advisory Firm

Childress Capital Advisors, LLC (“Childress Capital Advisors,” “we,” “our,” or “us”) is a privately owned limited liability company headquartered in Houston, TX.

Childress Capital Advisors is registered as an investment adviser with the U.S. Securities and Exchange Commission. The Firm was formed in 2020 and is owned by Don Childress, II, CFA, CPA®.

While this brochure generally describes the business of the Firm, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees, or any other person who provides investment advice on the Firm’s behalf and is subject to the Firm’s supervision or control. The Firm does not offer a wrap program.

### Advisory Services Offered

The Firm offers discretionary investment management and investment advisory services as well as financial planning and consulting. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

#### Investment Management Services

Childress Capital Advisors offers continuous and regular investment supervisory services on a discretionary basis as well as financial planning and consulting. We work with clients and have the ongoing responsibility to select and/or make recommendations based upon the objectives of the client, as to specific securities or other investments that he/she recommends or purchases/sells in clients’ accounts. We utilize a variety of investment types when making investment recommendations/purchases in client accounts which include, but are not limited to equity securities, fixed-income securities, alternatives, mutual funds, and independent investment managers. The investments recommended/purchased are based on the client’s individual needs, goals, and objectives. The Firm offers investment advice on any investment held by the client at the start of the advisory relationship. We describe the material investment risks under *Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss*. Financial Planning may be provided to clients as a part of the Investment Management Services. When being provided as a separate service it is described in this section under *Financial Consulting Services* below.

We discuss our discretionary authority below under *Item 16 – Investment Discretion*. For more information about the restrictions clients can put on their accounts, see *Tailored Services and Client Imposed Restrictions* in this item below. We describe the fees charged for investment management services below under *Item 5 – Fees and Compensation*.

#### Financial Planning, Consulting, and Performance Reporting Fees

Childress Capital Advisors provides a variety of consulting services to individuals, families, and other clients regarding their financial resources based upon an analysis of the client’s current situation, goals, and objectives. Consulting encompasses one or more of the following areas: additional Financial Planning, Performance Reporting, Investment Planning, Retirement Planning, Education Planning, and Business and Personal Financial Planning.

Services provided under an ongoing consultation agreement are conducted on a regular basis, but no less than annually with the client. The client is under no obligation to act upon the investment adviser’s

recommendation. If the client elects to act on our recommendations, the client is under no obligation to effect the transaction through us.

We describe fees charged for Consultation Services below under *Item 5 - Fees and Compensation*.

### Use of Independent Managers and Sub-Advisors

The Firm may select certain Independent Managers and/or Sub-Advisors to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager and/or Sub-Advisor may be set forth in a separate written agreement with the designated Independent Managers engaged to manage their assets.

The Firm evaluates a variety of information about Independent Managers and/or Sub-Advisors, which may include the Independent Managers' and/or Sub-Advisors' public disclosure documents, materials supplied by the Independent Managers themselves, and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Manager's and/or Sub-Advisor's 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 Independent Manager's and/or Sub-Advisor's management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors.

The Firm continues to provide services relative to the discretionary selection of the Independent Managers and/or Sub-Advisor. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. The Firm seeks to ensure the Independent Managers and/or Sub-Advisor strategies and target allocations remain aligned with its client's investment objectives and overall best interests.

## **ITEM 5 - FEES AND COMPENSATION**

### **Fee Schedule & Billing Method**

Childress Capital Advisors offers services on a fee basis, which may include fixed fees, as well as fees based upon assets under management or advisement

### Investment Management Services

The annual management fee for our Investment Management Services, including Financial Planning, is based on the total dollar asset value of the assets maintained in your account. The fee assessed and/or charged is based on what is stipulated in the Investment Advisory Agreement signed by each client. This may include a minimum quarterly fee. The Firm offers services on a fee basis, which may include fixed fees, as well as fees based on assets under management or advisement.

Our annual fee ranges up to 1.0% annually and is assessed and/or charged quarterly in arrears, based on the daily average balance value. Inflows and outflows of cash are considered on a prorated basis in this calculation. Fees can be structured in one of the following ways: a fixed flat percentage fee on total assets in the account, a tiered fee schedule whereby the fee is calculated by applying different rates to different levels of assets, a fixed dollar amount, or a linear fee schedule where a breakpoint percentage fee is assessed to total assets in the account.

We discuss our discretionary authority below under *Item 16 – Investment Discretion*.

### Financial Planning, Consulting, and Performance Reporting Fees

In addition to the advisory fees paid, the Adviser may provide financial planning, consulting, and performance reporting services to the Client regarding the management of the Client's financial resources, which is based upon an analysis of the Client's current personal and financial situations, goals, and objectives. The fee assessed and/or charged is based on what is stipulated in the Investment Advisory Agreement signed by each client. This may include a minimum quarterly fee. The Firm offers services on a fee basis, which may include fixed fees, as well as fees based on assets under management or advisement.

### Other Fees and Expenses

In addition to the advisory fees paid to Childress Capital Advisors, clients may incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, platform service providers, banks, and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, fees charged by the Independent Managers/Sub-Advisors are charged to the clients separately. In most relationships with third-party and/or Sub-Advisors, these fees would be in addition to the fees charged by CCA, paid directly to the third-party and/or Sub-Advisor, and CCA will not receive any portion of those fees or share in those fees. In certain relationships with third-party and/or Sub-Advisors, CCA may share in the standard management fees paid directly to the third-party and/or Sub-Advisor however, this does not represent a conflict as CCA will not share in any performance fees. The Firm's brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

Clients generally provide Childress Capital Advisors and/or the Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing account transactions, including any amounts paid to the Firm.

### **Account Additions and Withdrawals**

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

### **Termination**

Either party may terminate the advisory agreement at any time by providing written notice to the other party. The client may terminate the agreement at any time by writing or phoning Childress Capital Advisors at our office. Childress Capital Advisors will refund any prepaid, unearned advisory fees.



Terminations will not affect liabilities or obligations from transactions initiated in client accounts prior to termination. In the event the client terminates the investment advisory agreement. The Firm will not liquidate any securities in the account unless instructed by the client to do so. In the event of the Client's death or disability, the Firm will continue management of the account until we are notified of the Client's death or disability and given alternative instructions by an authorized party.

## **ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Childress Capital Advisors does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **ITEM 7 - TYPES OF CLIENTS**

Childress Capital Advisors provides asset management, financial consulting, retirement planning and consulting, investment advisory consultation, and selection of third-party money managers and/or Sub-Advisor. Our services are provided on a discretionary basis to a variety of clients, such as institutional investors, individuals, high-net-worth individuals, trusts and estates, qualified purchasers, and individual participants of retirement plans. In addition, we may also provide advisory services to entities such as pension and profit-sharing plans, businesses, and other investment advisers.

### **Account Requirements**

The Firm does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, the Firm may alter its corresponding account requirements and/or billing practices to accommodate those of the Managers.

## **ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Methods of Analysis and Investment Strategies**

We will typically use fundamental, cyclical, charting, and/or technical analysis in the selection of individual securities. Childress Capital Advisors selects categories of investments based on the client's attitudes about risk and their need for capital appreciation or income. Different instruments involve different levels of risk exposure. We seek to select individual securities with characteristics that are most consistent with the client's objectives. Since Childress Capital Advisors treats each client account uniquely, client portfolios with similar investment objectives and asset allocation goals may own different securities.

#### *General Investment Strategies*

Childress Capital Advisors generally uses diversification in an effort to minimize risk and optimize the potential return of a portfolio. More specifically, we utilize multiple asset classes, investment styles, market capitalizations, sectors, and regions to provide diversification. Each portfolio composition is determined in accordance with the Client's investment objectives, risk tolerance, and time horizon. We utilize both passive and active investment management strategies in an effort to optimize portfolios.

Our general investment strategy is to seek real capital growth proportionate to the level of risk the client is willing to take. Based on the client's investment objectives, time horizon, risk tolerance, tax considerations, target asset allocation, and any special considerations and/or restrictions the client chooses to place on the management of the account. The Firm will then recommend investments that we feel are consistent with the Client Profile.

After defining client needs, Childress Capital Advisors develops and implements plans for the client's account. Then, we monitor the results and make adjustments as needed. As the initial assumptions change, the plans themselves may need to be adapted. Continuous portfolio management is important in an effort to keep the client's portfolio consistent with the client's objectives.

### Methods of Analysis for Selecting Securities

Childress Capital Advisors Investment Advisor Representatives ("IARs") may use, among others, technical, fundamental, and/or charting analysis in the selection of individual equity securities. Additionally, our IARs may use specific strategies or resources in the method of analysis and selection of mutual funds.

### Technical Analysis

The effectiveness of technical analysis depends upon the accurate forecasting of major price moves or trends in the securities traded by the IAR. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernable trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

The calculations that underline our system, methods, and strategies involve many variables, including determinants from information generated by computers and/or charts. The use of a computer in collating information or in developing and operating a trading method does not assure the success of the method because a computer is merely an aid in compiling and organizing trade information.

Accordingly, no assurance is given that the decisions based on computer-generated information will produce profits for a client's account.

### Relative Strength Analysis

Relative strength measures one stock versus another or a group of stocks versus an index, such as the S&P 500. Through relative strength analysis, we can rank areas of the market that are outperforming or underperforming the broad market, whether the Russell 3000 or S&P 500. For our purposes, we use the S&P 500. We then add the highest relative strength sectors and macro areas (i.e. small cap vs. large cap) to our investment model, using primarily ETFs. The general premise is that those areas of the market with the highest relative strength outperform over the long term. Additionally, as a risk override, we run a moving average analysis to identify when markets are most vulnerable, and from time to time lighten market exposure.

### Fundamental Analysis

Fundamental analysis assesses the financial health and management effectiveness of a business by analyzing a company's financial reports, key financial ratios, industry developments, economic data, competitive landscape, and management. The objective of fundamental analysis is to use historical and current financial data to assess the stock valuation of a company, evaluate company profitability, credit risk, and forecast future performance of the company and its share price. Fundamental analysis assumptions and calculations are based on historical data and forecasts; therefore, the quality of

information and assumptions used are critical. Differences can exist between market fundamentals and how you analyze them.

### Charting Analysis

Charting analysis involves the use of patterns in performance charts. Our IARs use this charting technique to search for patterns in an effort to predict favorable conditions for buying and/or selling a security.

### Mutual Funds

In analyzing mutual funds, our IARs use various sources of information. We review key characteristics such as historical performance, consistency of returns, risk level, and size of fund. Expense ratio and other costs are also significant factors in fund selection. We also subscribe to/access additional information from other sources that inform our general macroeconomic view.

### Options

IARs may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period. A call may be purchased

if the expectation is that the stock will increase substantially in value before the option expires. It may also be sold as a hedge to protect gains or principal of an existing holding (covered calls). A put gives the holder the right to sell an asset at a certain price within a specific period. A put may be purchased if the expectation is that the stock will decrease substantially in value before the option expires. They are typically purchased as a hedge to protect gains or principal of a portfolio. There are various options strategies that our IARs may deploy in a strategy, as appropriate for a client's needs. These include but may not be limited to covered options (selling a call or put for a premium payment while retaining the cash or securities required to facilitate the underlying purchase or sale of securities if an option is exercised) or spreads/straddles (buying or selling call or put options on the same or opposite side of the market to benefit from the bid/ask "spread" or to straddle the market based on value or time variances).

### Alternative Investments

IARs may use Alternative Investments as a way to diversify a portfolio. Alternative Investments are considered to be "non-correlated" assets, meaning that they do not tend to run up or down (track) with the market like standard securities typically do. The main goal of alternatives is to provide access to other return sources, with the potential benefit of reducing the risk of a client's portfolio, improving returns, or both.

### Specific Investment Strategies for Managing Portfolios

IARs may use Modern Portfolio Theory tactical asset allocation, cash as a strategic asset, long-term holding, trend, dollar-cost-averaging, and defensive portfolio strategies in the construction and management of client portfolios. There is no guarantee that any of the following strategies will be successful, and we make no promises or warranties as to the accuracy of our market analysis.

### Modern Portfolio Theory (MPT)

IARs use the Modern Portfolio Theory, which has a basic concept of using diversification in an effort to

help minimize risk and optimize the potential return of a portfolio.

### Tactical Asset Allocation

IARs may use a tactical asset allocation strategy in the shorter term to deviate from a client's long-term strategic asset allocation target in an effort to take advantage of what we perceive as market pricing anomalies or strong market sectors or to avoid perceived weak sectors. Once they achieve the desired short-term opportunities or perceive those opportunities have passed, we generally return a client's portfolio to the original strategic asset mix.

### Cash as a Strategic Asset

IARs may use cash as a strategic asset and at times move or keep the client's assets in cash or cash equivalents. While high cash levels can help protect a client's assets during periods of market decline, there is a risk that our timing in moving to cash is less than optimal upon either exit or reentry into the market, potentially resulting in missed opportunities during positive market moves.

### Long-term Holding

IARs do not generally purchase securities for clients with the intent to sell the securities within 30 days of purchase, as we do not generally use short-term trading as an investment strategy. However, there may be times when we will sell a security for a client when the client has held the position for less than 30 days.

IARs do not attempt to time short-term market swings. Short-term buying and selling of securities are typically limited to those cases where a purchase has resulted in an unanticipated gain or loss in which we believe that a subsequent sale is in the best interest of the client.

### Trend

IARs may manage client assets using a trend-following methodology based on the 200-day average and grounded in a strong sell discipline for all positions within the portfolio.

### Dollar-Cost-Averaging

Dollar-cost averaging involves investing money in multiple installments over time to take advantage of price fluctuations in an attempt to get a lower average cost per share.

### Defensive Strategies

If our IAR anticipates poor near-term prospects for equity markets, we may adopt a defensive strategy for clients' accounts by investing substantially in fixed-income securities and/or money market instruments. We may also utilize low, non, or negatively correlated investments through mutual funds and EFT's. There can be no guarantee that the use of defensive techniques will be successful in avoiding losses.

### Margin

Some clients of Childress Capital Advisors maintain margin accounts to facilitate short-term borrowing needs, which are unrelated to our investment strategy (ies). For some high-net-worth (HNW) clients that are seeking a more aggressive strategy for their portfolio, our IARs may work with those clients on an individual basis to develop a leveraged strategy utilizing margin to increase market participation portfolio as part of a customized investment strategy. Clients are responsible for any brokerage or margin charges in addition to advisory fees. Risks of using margin include "margin calls" (also called "fed calls" or "maintenance calls.") Margin calls occur when account values decrease below minimum maintenance margin levels established by the broker-dealer that holds the securities in the client's account, requiring the investor to deposit additional money or securities into their margin account.

While the use of margin borrowing can increase returns, it can also magnify losses. Clients must specifically request to establish a margin account.

### Additional Strategies

Clients interested in learning more about any of the above strategies should contact us for more information and/or refer to the prospectus of any mutual fund. We may also consider additional strategies by specific client request.

### Investing Involves Risk

#### *General Risks of Owning Securities*

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease, and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

### Risk of Loss

Diversification does not guarantee a profit or guarantee to protect you against loss, and there is no guarantee that your investment objectives will be achieved. The Firm strategies and recommendations may lose value. All investments have certain risks involved including, but not limited to the following:

- **Stock Market Risk:** The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk:** The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk:** The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact your portfolio. Investments focused on a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk:** Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility, lower liquidity than U.S. securities, less developed securities markets and economic systems, and political-economic instability.
- **Emerging Markets Risk:** To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- **Currency Risk:** The value of your portfolio's investments may fall as a result of changes in exchange rates.
- **Credit Risk:** Most fixed-income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- **Inflation Risk:** Most fixed-income instruments will sustain losses if inflation increases, or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed-income securities could go down.
- **Interest Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate.
- **Margin Risk:** The use of margin is not suitable for all investors since it increases leverage in your Account and therefore risk.

- **ETF and Mutual Fund Risk:** When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operation expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund greatly reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- **Independent Manager Risk:** As stated above, the Firm may select certain Independent Managers to manage a portion of its clients' assets. In these situations, the Firm continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, the Firm generally may not have the ability to supervise the Independent Managers on a day-to-day basis.
- **Derivative Risk:** Derivatives are securities, such as futures contracts or options, whose value is derived from that of other securities or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will achieve the desired results. Utilizing derivatives can cause greater than ordinary investment risk, which could result in losses.
- **Alternative Investment Risk:** Alternative Investments involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not always required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and in many cases the underlying investments are not transparent and are known only to the investment manager. Alternative investment performance can be volatile. An investor could lose all or a substantial amount of his or her investment.
- **Management Risk:** Your investment with us varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment may decrease.

## **ITEM 9 - DISCIPLINARY INFORMATION**

Childress Capital Advisors and our personnel seek to maintain the highest level of business professionalism, integrity, and ethics. We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our business or the integrity of our management. We do not have any required disclosures to this Item.

## **ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Childress Capital Advisors is required to disclose any relationship or arrangement that is material to its advisory business or its clients with certain related persons.

### **Licensed Insurance Agents**

Certain of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully disclosed commissionable basis. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

### **Retirement Plan Accounts**

The Firm may from time to time recommend the rollover to an IRA from an employer-sponsored retirement plan. This product will be recommended when it is deemed by the Firm to be in the best interest of the client. It is understood that the Investment Advisor Representative will receive a management fee paid by me as indicated by the client agreement that will be signed when the account is opened.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice).
- Never put our financial interests ahead of yours when making recommendations (give loyal advice).
- Avoid misleading statements about conflicts of interest, fees, and investments.
- Follow policies and procedures designed to ensure that we give advice that is in your best interest.
- Charge no more than is reasonable for our services.
- Give you basic information about conflicts of interest.

When recommending the rollover to an IRA from an employer sponsored retirement plan, you will be provided with disclosure on the reasons why the transaction is in your best interest, it will be required to be signed by both you and the advisor and will be maintained in your file.

## **ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

Childress Capital Advisors believes that we owe clients the highest level of trust and fair dealing. As part of our fiduciary duty, we place the interests of our clients ahead of the interests of the firm and our personnel. We have adopted a Code of Ethics that emphasizes the high standards of conduct that Childress Capital Advisors seeks to observe. Our personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics.

Childress Capital Advisors' Code of Ethics attempts to address specific conflicts of interest that either we have identified or that could likely arise. Childress Capital Advisors' personnel are required to follow clear guidelines from the Code of Ethics in areas such as gifts and entertainment, other business activities, prohibitions of insider trading, and adherence to applicable federal securities laws. Additionally, individuals who formulate investment advice for clients, or who have access to nonpublic information regarding any clients' purchase or sale of securities, are subject to personal trading policies governed by the Code of Ethics (see below).

Childress Capital Advisors will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

### **Personal Trading Practices**

Childress Capital Advisors and our personnel may purchase or sell securities for themselves, regardless of whether the transaction would be appropriate for a client's account. Childress Capital Advisors and our

personnel may purchase or sell securities for themselves that we also recommend/utilize for clients. This includes related securities (e.g., warrants, options, or other derivatives). This presents a potential conflict of interest, as we have an incentive to take investment opportunities from clients for our own benefit, favor our personal trades over client transactions when allocating trades, or use the information about the transactions we intend to make for clients to our personal benefit by trading ahead of clients.

Our policies to address these conflicts include the following:

1. The client receives the opportunity to act on investment decisions/recommendations prior to and in preference to accounts of your investment advisor representative ("IAR").
2. The Firm prohibits trading in a manner that takes personal advantage of price movements caused by client transactions.
3. If your IAR wishes to purchase or sell the same security as he/she recommends or takes action to purchase or sell for a client, he/she will not do so until the custodian fills the client's order if the order cannot be aggregated with the client order. As a result of this policy, it is possible that clients may receive a better or worse price than IAR for transactions in the same security on the same day as a client.
4. The Firm requires our IARs to report personal securities transactions on at least a quarterly basis.
5. Conflicts of interest also may arise when Firm IARs become aware of limited offerings or IPOs, including private placements or offerings of interests in limited partnerships or any thinly traded securities, whether public or private. Given the inherent potential for conflict, limited offerings and IPOs demand extreme care. IARs are required to obtain pre-approval from the Chief Compliance Officer before trading in limited offerings and are prohibited from transacting in IPOs for personal accounts.
6. Under certain limited circumstances, we make exceptions to the policies stated above. The Firm will maintain records of these trades, including the reasons for any exceptions.

## **ITEM 12 - BROKERAGE PRACTICES**

Childress Capital Advisors requires accounts that are not managed by third-party investment managers and/or Sub-Advisor to be established with Fidelity Investments, member FINRA/SIPC. Childress Capital Advisors engages the custodians to clear transactions and custody assets. The custodians provide The Firm with services that assist us in managing and administering clients' accounts which include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with certain back-office functions, recordkeeping and client reporting.

As part of the arrangement described above, the custodians also make certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by the custodians directly from independent research companies, as selected by our Firm (within specific parameters). Research products and services provided by the custodians to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by the custodians to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.



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

The custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, and commissions are charged for individual equity and debt securities transactions).

The custodians generally do not charge clients separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodians or that settle into accounts at the custodians. The custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). The custodians enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The custodians' commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by the custodians may be higher or lower than those charged by other custodians and broker-dealers.

We may aggregate (combine) trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed.
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction.
4. We will prepare a procedure specifying how to allocate the order among those clients.
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement.
6. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.
8. Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis other than what is described above.

## **Factors Considered in Recommending Custodians**

We consider several factors in recommending custodians to a client. Factors that we consider when recommending custodians may include financial strength, reputation, execution, pricing, reporting, research, and service. We will also take into consideration the availability of the products and services

received or offered (detailed above) by the custodians.

### Directed Brokerage Transactions

Childress Capital Advisors does not allow clients to direct brokerage to a specific broker-dealer. For an individual third-party money manager's and/or Sub-Advisor's policy on directed brokerage transactions, you must refer to **Item 12 – Brokerage Practices** of that manager's form ADV 2A brochure.

### Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

### **Trade Errors**

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole, and we will absorb any loss resulting from the trade error if the error was caused by the Firm. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

## **ITEM 13 - REVIEW OF ACCOUNTS**

### **Account Reviews & Reporting**

#### Managed Accounts Reviews

Childress Capital Advisors manages portfolios on a continuous basis and generally reviews all positions in client accounts on a regular basis, but no less than annually. We generally offer account reviews to clients annually. Clients may choose to receive reviews in person, by telephone, or via e-mail. Firm IARs conduct reviews based on a variety of factors. These factors include, but are not limited to, stated investment objectives, economic environment, outlook for the securities markets, and the merits of the securities in the accounts.

In addition, we may conduct a special review of an account based on, but not limited to, the following:

1. A change in the client's investment objectives, guidelines, and/or financial situation.
2. Changes in diversification.
3. Tax considerations.
4. Material cash deposits or withdrawals.

#### Third Party and/or Sub-Advisor Accounts

Investment Adviser Representatives periodically review third-party money managers and/or Sub-Advisor's

reports provided to the client, but no less often than on a semi-annual basis. Our Investment Adviser Representatives contact clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third-party money managers and/or Sub-Advisors as warranted; and assist the client in understanding and evaluating the services provided by the third-party money manager and/or Sub-Advisor. The client is expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third-party money manager and/or Sub-Advisor managing the account or sponsoring the program. Clients who utilize third-party money managers and/or Sub-Advisors should review the third-party money managers and/or Sub-Advisor's Form ADV Part 2 **Item 13 – Review of Accounts** regarding account reviews, types of written reports provided, and frequency of such reports.

### Consulting Service

Consultation clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us separately contract with us for a post-financial plan meeting or update their initial written financial plan. The type of reporting is agreed upon by Childress Capital Advisors and the client on a case-by-case basis. We do not provide ongoing services to financial consultation clients but are willing to meet with such clients upon their request to discuss updates to their plans or changes in their circumstances. The Client's IAR provides financial consultation services to the client. In cases when we have been contracted to conduct ongoing financial consultation services, the Investment Adviser Representatives will conduct reviews as agreed upon with the client.

## **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

### **Brokerage Support Products and Services**

We receive an economic benefit from the brokers used for transactions in client accounts in the form of the support products and services they make available to us and other independent firms whose clients maintain their accounts at the broker. These products and services, how they benefit us, and the related conflicts of interest are described above (see **Item 12 – Brokerage Practices**). We do not base particular investment advice, such as buying particular securities for our clients, on the availability of the brokers' products and services to us.

### **Outside Compensation**

Childress Capital Advisors does not pay referral fees (non-commission-based) to independent solicitors for the referral of their clients to our firm.

Firm IARs may refer clients to unaffiliated professionals for specific needs, such as mortgage brokerage, real estate sales, estate planning, legal, and/or tax/accounting. In turn, these professionals may refer clients to our IARs for investment management needs. We do not have any arrangements with individuals or companies that we refer clients to, and we do not receive any compensation for these referrals.

However, it could be concluded that our IARs are receiving an indirect economic benefit from this practice, as the relationships are mutually beneficial. For example, there could be an incentive for us to recommend services of firms who refer clients to the Firm.

Our IARs only refer clients to professionals we believe are competent and qualified in their field, but it is ultimately the client's responsibility to evaluate the provider, and it is solely the client's decision whether to engage a recommended firm. Clients are under no obligation to purchase any products or services through these professionals, and our IARs have no control over the services provided by another firm. Clients who choose to engage these professionals will sign a separate agreement with the other firm. Fees charged by the other firm are separate from and in addition to fees charged by the Firm.

If the client desires, our IARs will work with these professionals or the client's other advisers (such as an accountant, attorney, or other investment adviser) to help ensure that the provider understands the client's investments and coordinates services for the client. We do not share information with an unaffiliated professional unless first authorized by the client.

### *Third Party Money Manager and/or Sub-Advisor*

Our IARs may work with third-party money managers or Sub-Advisors to service client accounts. They may receive ongoing compensation in relation to these arrangements, of which details are fully disclosed to the clients at the time of account opening. See also **Item 5 - Third Party Accounts and/or Sub-Advisor** and **Item 10 – Third Party Managers and/or Sub-Advisor**. Other Financial Institutions

Childress Capital Advisors has established agreements to provide consulting services to other financial institutions regarding business development or investment advisory services provided to clients. If the consultation being provided is specific to services provided to the client account, the specifics of this arrangement, including the compensation paid to the Firm will be fully disclosed to clients in their signed agreements.

## **ITEM 15 - CUSTODY**

Childress Capital Advisors and/or the Independent Managers have limited custody of some of our clients' funds or securities when the clients authorize us to deduct our management fees directly from the client's account. A qualified custodian (generally a broker-dealer, bank, trust company, or other financial institution) holds clients' funds and securities. Clients will receive statements directly from their qualified custodian at least quarterly. The statements will reflect the client's funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of our fee.

Clients should carefully review the account statements they receive from the qualified custodian. When clients receive statements from Childress Capital Advisors as well as from the qualified custodian, they should compare these two reports carefully. Clients with any questions about their statements should contact us at the address or phone number on the cover of this brochure. Clients who do not receive a statement from their qualified custodian at least quarterly should also notify us.

### **Third-Party Standing Letters of Authorization ("SLOA")**

Our firm is deemed to have custody of Client's funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian.

The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow.

By working with the qualified custodian, the Firm has in place seven provisions set forth by the SEC to assist in mitigating risk. The below must be followed for clients with third-party SLOAs:

1. The client provides an instruction to the qualified custodian, in writing, which includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The client authorizes the Firm, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of

- funds notice to the client promptly after each transfer.
4. The client can terminate or change the instruction to the client's qualified custodian.
  5. The Firm has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
  6. The Firm maintains records showing that the third party is not a related party of the Firm or located at the same address as the Firm.
  7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

As stated earlier in this section, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor, or the qualified custodian preparing the statement.

## **ITEM 16 - INVESTMENT DISCRETION**

Childress Capital Advisors accepts discretionary authority over client accounts. If an IAR is acting in a discretionary capacity, the IAR may place trades within a client account without pre-approval from the client.

When working with third-party managers and/or Sub-Advisors, we may recommend certain third-party money managers and/or Sub-Advisors to clients and then it is up to the client to approve our recommendations. The third-party investment adviser chosen by the client is responsible for all investment decisions made in the client's account(s). Generally, clients who utilize a third-party money manager and/or Sub-Advisor will sign agreements directly with the third-party manager and/or Sub-Advisor. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Clients can find more information about the discretionary authority granted to third-party managers in **Item 16 – Investment Discretion** of each manager's Form ADV disclosure brochure.

## **ITEM 17 - VOTING CLIENT SECURITIES**

### *Voting of Proxies*

In regard to SEC Rule 206(4)-6 under the Advisers Act, the Advisor will not vote proxies relating to equity securities in client accounts. You are responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned in your Account are voted and voting or causing such proxies to be so voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other similar type events pertaining to your Assets. Please contact us if you would like to receive a copy of our Proxy Voting Policy.

### *Class Action Lawsuits*

As a matter of company policy, Advisor does not file proofs of claim relating to class action lawsuits affecting individual client accounts but outsources this service to Institutional Shareholder Services ("ISS"), an unaffiliated third party, through their securities class action services ("SCAS").

### *Mutual Funds*

The investment adviser that manages the assets of a registered investment company (i.e., mutual fund)

generally votes proxies issued on securities held by the mutual fund.

## **ITEM 18 - FINANCIAL INFORMATION**

Registered investment advisers are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition. Childress Capital Advisors does not require the prepayment of more than \$1,200 in fees per client, six months or more in advance, does not have or foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients and has not been the subject of a bankruptcy proceeding.



## Form ADV, Part 2B Brochure Supplement

Don E. Childress, II, CFA, CPA<sup>®</sup>

March 27, 2025

Office Location:

952 Echo Lane, Suite 365

Houston, TX 77024

(832) 404-2104

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

This Brochure supplement provides information about Don E. Childress, II, CFA, CPA<sup>®</sup> that supplements the Childress Capital Advisors, LLC ("CCA]" or "the Firm") Brochure. If you have any questions about the contents of this Brochure, please contact the Firm at the telephone number listed above. For compliance-specific requests, please call (402) 990-2768. Additional information about Mr. Childress is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

# DON E. CHILDRESS, II, CFA, CPA®

Born 1968

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### *Education:*

- 1991 – Baylor University | Bachelor of Business Administration – Accounting
- 1998 – University of Texas | Master of Business Administration

### *Business Background:*

08/2020 – Present      Childress Capital Advisors, LLC | Founder and Managing Member  
12/2015 – 08/2020      Stifel, Nicolaus & Company, Incorporated | Managing Director/Investments  
01/2013 – 12/2015      Barclays Capital Inc. | Investment Representative  
10/1998 – 01/2013      Goldman, Sachs & Co., Inc. | Vice President, Private Wealth Advisor

### *Professional Designations:*

#### **2016 | Certified Financial Analyst (CFA®); CFA® Institute**

The Chartered Financial Analyst (CFA®) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA® Institute — the largest global association of investment professionals. To earn the CFA® charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA® Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA® Institute Code of Ethics and Standards of Professional Conduct.

The CFA® Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA® charterholders to place their client’s interests ahead of their own, maintain independence and objectivity, act with integrity, maintain and improve their professional competence, and disclose conflicts of interest and legal matters.

Passing the three CFA® exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA® charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision-making in today’s quickly evolving global financial industry.

The CFA® Program curriculum provides a comprehensive framework of knowledge for investment decision-making. The three levels of the CFA® program test proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA® Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA® charter, visit [www.cfainstitute.org](http://www.cfainstitute.org)

#### **1993 | Certified Public Accountant (CPA®)**

Certified Public Accountant. CPA®s are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for



licensure as a CPA® generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA®), and successful passage of the Uniform CPA® Examination. In order to maintain a CPA® license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, and competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

To learn more about the CPA® designation, visit <https://www.aicpa-cima.com/designations-certifications/certified-public-accountant-cpa.html>

### **ITEM 3 - DISCIPLINARY INFORMATION**

Childress Capital Advisors, LLC is required to disclose information regarding any disciplinary information on Don E. Childress, II, CFA, CPA®. Mr. Childress has no disciplinary history to disclose.

### **ITEM 4 - OTHER BUSINESS ACTIVITIES**

Childress Capital Advisors, LLC is required to disclose information regarding any investment-related business or occupation in which Don E. Childress, II, CFA, CPA® is actively engaged. Mr. Childress will not be utilizing his CPA® license for any business purposes related to Childress Capital Advisors, LLC at this time.

#### *Licensed Insurance Agent*

Don E. Childress, II, CFA, CPA® is a licensed insurance agent and in such capacity may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that Childress Capital Advisors, LLC recommends the purchase of insurance products where Mr. Childress receives insurance commissions or other additional compensation. Childress Capital Advisors, LLC seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

### **ITEM 5 - ADDITIONAL COMPENSATION**

Childress Capital Advisors, LLC is required to disclose information regarding any additional compensation received by Don E. Childress, II, CFA, CPA®. Mr. Childress receives no additional compensation in connection with outside business activities.

### **ITEM 6 - SUPERVISION**

Daniel Roberts, Chief Compliance Officer, supervises and monitors the activities of Don E. Childress, II, CFA, CPA® on a regular basis. Mr. Roberts reviews outgoing correspondence for written financial advice provided to clients. Please contact Mr. Roberts at (402) 990-2768 if you have any questions about this brochure supplement.



## Form ADV, Part 2B Brochure Supplement

Sarah C. Dolan, CFA

March 27, 2025

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(832) 404-2104

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

This Brochure supplement provides information about Sarah C. Dolan, CFA that supplements the Childress Capital Advisors, LLC (“CCA” or “the Firm”) Brochure. If you have any questions about the contents of this Brochure, please contact the Firm at the telephone number listed above. For compliance-specific requests, please call (402) 990-2768. Additional information about Ms. Dolan is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

# Sarah C. Dolan, CFA

Born 1992

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### *Education:*

- 2014 – Trinity University | Bachelor of Arts in Economics and Political Science

### *Business Background:*

09/2020 – Present      Childress Capital Advisors, LLC | Portfolio Manager  
08/2015 – 07/2020      BBVA USA | Financial Analyst III  
08/2016 – 07/2020      BBVA Securities | Financial Analyst III  
07/2014 – 08/2015      Entergy | Analyst

### *Professional Designations:*

#### **2022 | Certified Financial Analyst (CFA®); CFA® Institute**

The Chartered Financial Analyst (CFA®) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA® Institute — the largest global association of investment professionals. To earn the CFA® charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA® Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA® Institute Code of Ethics and Standards of Professional Conduct.

The CFA® Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA® charterholders to place their client’s interests ahead of their own, maintain independence and objectivity, act with integrity, maintain and improve their professional competence, and disclose conflicts of interest and legal matters.

Passing the three CFA® exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA® charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision-making in today’s quickly evolving global financial industry.

The CFA® Program curriculum provides a comprehensive framework of knowledge for investment decision-making. The three levels of the CFA® program test proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA® Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA® charter, visit [www.cfainstitute.org](http://www.cfainstitute.org)

## ITEM 3 - DISCIPLINARY INFORMATION

Childress Capital Advisors, LLC is required to disclose information regarding any disciplinary information on Sarah C. Dolan, CFA. Ms. Dolan has no disciplinary history to disclose.

#### **ITEM 4 - OTHER BUSINESS ACTIVITIES**

Childress Capital Advisors, LLC is required to disclose information regarding any investment-related business or occupation in which Sarah C. Dolan, CFA is actively engaged. There are no items to disclose at this time.

#### **ITEM 5 - ADDITIONAL COMPENSATION**

Childress Capital Advisors, LLC is required to disclose information regarding any additional compensation received by Sarah C. Dolan, CFA. Ms. Dolan receives no additional compensation in connection with outside business activities.

#### **ITEM 6 - SUPERVISION**

Daniel Roberts, Chief Compliance Officer, supervises and monitors the activities of Sarah C. Dolan, CFA on a regular basis. Mr. Roberts reviews outgoing correspondence for written financial advice provided to clients. Please contact Mr. Roberts at (402) 990-2768 if you have any questions about this brochure supplement.



## Form ADV, Part 2B Brochure Supplement

Kelley D. McKenna, CFP®

March 27, 2025

Office Location:

952 Echo Lane, Suite 365

Houston, TX 77024

(832) 404-2104

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

This Brochure supplement provides information about Kelley D. McKenna, CFP®, that supplements the Childress Capital Advisors, LLC (“CCA” or “the Firm”) Brochure. If you have any questions about the contents of this Brochure, please contact the Firm at the telephone number listed above. For compliance-specific requests, please call (402) 990-2768. Additional information about Ms. McKenna is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

# Kelley D. McKenna, CFP®

Born 1986

## ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### *Education:*

- 2008 – Texas State University | Bachelor’s in Business Administration-Accounting

### *Business Background:*

02/2022 – Present      Childress Capital Advisors, LLC | Vice President, Wealth Advisor  
12/2015 – 01/2022      Stifel, Nicolaus & Company, Incorporated | Mass Transfer  
04/2013 – 12/2015      Barclays Capital Inc. | Vice President, CSA  
08/2008 – 04/2013      Trippon Group of Companies, CPAs | Vice President

### *Professional Designations:*

#### **2020 | Certified Financial Planner (CFP®); CFP® Board**

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by the Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that the CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services and attain a bachelor’s degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by the CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to the CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

For more information on the CFP®, please visit <https://www.cfp.net/>

### **ITEM 3 - DISCIPLINARY INFORMATION**

Childress Capital Advisors, LLC is required to disclose information regarding any disciplinary information on Kelley D. McKenna, CFP®. Ms. McKenna has no disciplinary history to disclose.

### **ITEM 4 - OTHER BUSINESS ACTIVITIES**

Childress Capital Advisors, LLC is required to disclose information regarding any investment-related business or occupation in which Kelley D. McKenna, CFP® is actively engaged. Ms. McKenna has no other business activities to disclose.

### **ITEM 5 - ADDITIONAL COMPENSATION**

Childress Capital Advisors, LLC is required to disclose information regarding any additional compensation received by Kelley D. McKenna, CFP®. Ms. McKenna receives no additional compensation in connection with outside business activities.

### **ITEM 6 - SUPERVISION**

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<b>FACTS</b>	<b>WHAT DOES CHILDRESS CAPITAL ADVISORS, LLC DO WITH YOUR FINANCIAL INFORMATION?</b>
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<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
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<b>What?</b>	<p>The types of personal information we collect, and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>▪ Social Security number and income</li> <li>▪ Account balances and assets</li> <li>▪ Transaction history</li> <li>▪ Credit history and credit scores</li> </ul>
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<b>How?</b>	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons Childress Capital Advisors chooses to share; and whether you can limit this sharing.
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Reasons we can share your personal information	Do we share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> such as processing your transactions, maintaining your account(s), responding to court orders and legal investigations, or reporting to credit bureaus	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	Not Applicable
<b>For our affiliates’ everyday business purposes –</b> information about your transactions and experiences	No	No
<b>For our affiliates’ everyday business purposes –</b> information about your creditworthiness	No	Not Applicable
<b>For our affiliates to market to you</b>	No	Not Applicable
<b>For nonaffiliates to market to you</b>	No	Not Applicable

<b>Questions?</b>	Call us at (832) 404-2104 or visit our website at <a href="http://www.childressca.com">www.childressca.com</a> .
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Who we are	
Who is providing this notice?	Childress Capital Advisors, LLC
What we do	
How does Childress Capital Advisors, LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Childress Capital Advisors, LLC collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>▪ Open an account</li> <li>▪ Deposit money</li> <li>▪ Seek advice about your investments</li> <li>▪ Enter into an investment advisory contract</li> <li>▪ Tell us about your investment or retirement portfolio or earnings</li> </ul> <p>We also collect your personal information from other companies.</p>
Definitions	
Affiliates	<p>Companies are related by common ownership and control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>We may share information with our affiliates for our everyday business purposes, including information about your transactions and experiences.</i></li> </ul>
Nonaffiliates	<p>Companies not related by common ownership and control. They can be financial or nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>We do not share with nonaffiliates so that they can market to you.</i></li> </ul>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>We do not jointly market.</i></li> </ul>
Other important information	
<p>SMS consent and Phone number won't be shared or sold to any third party or affiliates for marketing purposes.</p> <ul style="list-style-type: none"> <li>• <b>Consent for SMS Communications:</b> Upon granting consent to receive SMS communications from our company, rest assured that your phone number and consent will remain confidential. We will not sell or share your information with third parties or affiliates for marketing purposes. The phone number and consent will only be used to facilitate communication with you.</li> <li>• <b>Types of SMS Communications:</b> The following types of messages may be sent after obtaining consent: <ul style="list-style-type: none"> <li>○ <b>Customers and Guests:</b> Updates on orders, deliveries, or other relevant information.</li> <li>○ <b>Job Applicants:</b> Notifications regarding the status of their application.</li> </ul> </li> </ul>	

## Privacy Policy Notice

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*Childress Capital Advisors, LLC*

- **Appointment Reminders:** Reminders about upcoming appointments or events.
- **Example Message:**  
*"Hi [Customer Name], this is a reminder about your upcoming appointment with [Business Name] on [Date] at [Time]. We look forward to seeing you!"*  
To opt out, reply "STOP" to unsubscribe. Message data rates may apply. Messaging frequency may vary.
- **Standard Messaging Disclosures:**
  - To opt out of SMS communications, simply reply with "STOP."
  - Message and data rates may apply.
- **Message Frequency:** Generally, you may receive approximately 1-10 messages per month related to the nature of your needs and requests. However, the frequency may vary depending on the nature of the communication.
- **Opt-In Method:**  
As a client, or third party contact of Childress Capital Advisors, you automatically opt-in to receive SMS messages from Childress Capital Advisors.
- **Opt-Out Method:**  
You can opt-out of receiving SMS messages at any time. To do so, simply reply "STOP" to any SMS message you receive or contact any professional at Childress Capital Advisors and verbally notify them that you would like to opt-out of receiving SMS messages.