BULL RUN INVESTMENT MANAGEMENT
BRIM

ADVISOR GUIDE

Working with Bull Run

This guide is for financial advisors who want to use Bull Run's strategies with their clients. It covers the strategies, the portfolio manager, how accounts work at Charles Schwab, what you can use with clients, and the questions advisors ask most. Each link opens the page on bullrunim.com with the full detail.

In this guide: The four strategies · The portfolio manager · Why an SMA · What Bull Run adds · How it works at Schwab · Using Bull Run with clients · Resources · Advisor questions

At a glance

Firm	Fee-only RIA, CRD 306763	Managed by	Chris Passarelli, founder and CEO
Strategies	Four equity SMAs	Platform	Schwab Managed Account Marketplace
Manager fee	0.50% a year, billed quarterly	Your fee	Separate, set and billed by you
Minimum	$10,000 per account	Custody	Charles Schwab, in the client's name
Benchmark	S&P 500 total return	Contact	info@bullrunim.com · (703) 344-6844

The four strategies

Each strategy is built top-down, then bottom-up: first the industries whose revenue is growing fastest, then the strongest companies within them.

Strategy	What it owns	Revenue growth	Holdings	Risk profile
Equity Innovation	The fastest-growing companies in industries whose revenue is growing 20–25% a year.	Above 25%	20–25	Aggressive
Equity Growth	The leading companies in the fastest-growing industries. Similar to Innovation, with larger companies.	15–25%	20–25	Moderate-Aggressive
Equity Core	The best companies in fast-growing industries, leaving out the most volatile, such as semiconductors.	12–15%	25–30	Moderate
Equity Low Volatility	The strongest companies in industries whose sales hold up when the market falls.	7–12%	25–35	Moderate-Conservative

Revenue growth is the target for the companies each strategy owns. It is not a return target. All four are measured against the S&P 500 total return. Fact sheets with every holding: Innovation · Growth · Core · Low Volatility.

The five risk models. Bull Run blends the four strategies into five models for its own clients. You can use the same blends or your own.

Model	Bonds	Low Volatility	Core	Growth	Innovation
Conservative	50%	25%	25%	—	—
Moderate-Conservative	20%	30%	50%	—	—
Moderate	—	30%	40%	30%	—
Moderate-Aggressive	—	—	40%	30%	30%
Aggressive	—	—	—	50%	50%

Each account at Schwab holds one strategy, so a blend uses one account per strategy. The Marketplace offers the four equity strategies; the bond share is held separately. The Allocation Model Fact Sheet charts all five, backtested and live.

The portfolio manager

Chris Passarelli is Bull Run's founder, Chief Executive Officer and Portfolio Manager. He founded the firm with partners in 2019, has managed every strategy since the first day, and became its principal owner in 2023. Before Bull Run he was an investment analyst at Spectrum Financial, researching quantitative and fundamental strategies. Before that he was a commodity derivatives analyst at Morgan Stanley and worked in wealth management at TD Ameritrade Institutional, on SMA and UMA strategies for independent advisors. He holds a BS in finance from the University of Colorado Boulder.

Chris has never been paid a commission on any financial product. Bull Run is paid only by its clients' advisory fees, with no commissions, 12b-1 fees or revenue sharing. Read next: full background · Form ADV Part 2B.

Why an SMA instead of a fund

In a separately managed account, your client owns each stock directly, in their own Schwab account. In a mutual fund or an ETF, the client owns shares of a fund, and the fund owns the stocks.

Tax control. Each stock has its own cost basis, so a loss in one position can be harvested even when the strategy is up. An ETF is a single position, so the losses inside it cannot be used.

No inherited gains. A mutual fund that sells holdings to pay departing shareholders passes the taxable gains to the shareholders who stay, even in a year the fund lost money. In an SMA, gains come only from trades in the client's own account.

Room to fit the client. Every position belongs to the client, so an account can avoid a stock, work around a large existing holding, or use specific tax lots. Ask Chris what is possible for an account.

When a fund is the better fit. Below the $10,000 minimum, inside an employer 401(k) plan, or for a client who wants one simple holding. In an IRA or other tax-deferred account, the tax advantages above do not apply. The full comparison, with an interactive example: What an SMA is.

What Bull Run adds to your practice

A portfolio manager your clients can talk to. Chris can join a call with you and your client to walk through the strategies and answer questions. Email to set one up.

Your fee stays yours. You set and bill your own fee. Bull Run takes no part of it, and on accounts you place, the two firms share no fees in either direction.

How it works at Schwab

Bull Run's four strategies are on the Schwab Managed Account Marketplace. Your firm signs one sub-advisory agreement with Bull Run, and clients sign only Schwab's paperwork. You select Bull Run and a strategy for the account in Schwab Advisor Center, and the account comes under Bull Run's model. Assets stay at Schwab in the client's name.

Bull Run has discretionary trading authority over the account, and your firm keeps full advisory access. Bull Run's 0.50% fee is negotiable for larger relationships. Schwab charges no commission on the stock and ETF trades the strategies use and no account or platform fee.

1. **Open the account.** In Schwab Advisor Center, go to Account Management, choose Open and fund an account, and select your client. When asked about a money manager, choose Yes, from Managed Account Marketplace. This needs a Marketplace master account, which your Schwab relationship manager sets up once.
2. **Select Bull Run.** Search the money managers for Bull and choose Bull Run Investment Management, LLC (McLean, VA, CRD 306763).
3. **Choose the strategy and account type.** One strategy per account. Your client completes Schwab's account paperwork, online or on paper.
4. **Fund it.** Bull Run invests the account to the strategy's model and handles all trading and rebalancing from then on. Screens for each step: Schwab SMA Platform.

Bull Run	Your firm
Research, stock selection, trading and rebalancing	The client relationship, planning and advice
Its 0.50% fee, uploaded to Schwab as its own line	Your fee, set by you, as its own line
Performance reporting through Black Diamond, fact sheets and tools	Your own reporting system, if you use one

Using Bull Run with your clients

Start from the risk profile. Match the client to one of the five models. Innovation and Growth move more than the market in both directions; Core and Low Volatility bring a blend's swings down.

Place strategies by tax treatment. Innovation turns over the most. When a household holds more than one strategy, put Innovation in a Roth or IRA where possible, and Core or Low Volatility in the taxable account.

Compare the fee with what it replaces. Set Bull Run's 0.50% next to the fund expense ratios the client pays today. The fee schedule for advisors shows the all-in cost side by side.

Resources for you and your clients

Everything here is free on bullrunim.com, and most of it is on the Advisor Resources page.

For you	What it is for
Downloads	All four fact sheets in one ZIP, the combined SMA and Allocation Model fact sheets, and daily returns as a CSV.
Strategy fact sheets	Returns, risk, calendar years and every holding, read live from the database: Innovation · Growth · Core · Low Volatility.
SMA Performance	The performance dashboard: risk, drawdowns, calendar returns and holdings.
Strategy Backtester, Wealth Forecaster	Blend the strategies across a client's accounts before or after fees and taxes, or project a mix forward.
Portfolio Proposal	A client-ready PDF. Choose Financial advisor to add your fee and your letterhead. Statements never leave the browser.
Due diligence	Documents: Form ADV Part 2A and 2B, the fee schedules and a sample proposal. Questions: plain answers on the firm, fees and the record.

For your clients	Send it when
Client guide	The client version of this guide, to walk through with a client.
What an SMA is	A client has only owned funds. It explains direct ownership with an interactive example.
The four strategies	A client is choosing. All four side by side, with the five models charted.
Bull Run, client view	A first look at Bull Run, written for clients who work with an advisor.

Fact sheets with your fee

Open a fact sheet, or Downloads for all four, and pick the history. For a client, set the fee to Advisor and enter your fee, so every figure is after your fee and Bull Run's 0.50%. The PDF uses the latest data.

Share a chart as you set it

Every chart keeps its settings in the address bar. Set it, copy the address and send it, and your client sees the same view. Example: Innovation since its live date, after a 1.00% advisor fee and 0.50%. Never put a client's name in a link.

Advisor questions

Is Bull Run registered with the SEC or with the states?

With the states: CA, DC, FL, MD, NC, TX and VA. Advisers managing less than $100 million generally register with their states instead of the SEC. Where your clients live makes no difference to you: whether a state needs Bull Run registered depends on that state, and Bull Run checks and handles it. Filings: SEC adviser search.

Do I need to disclose Bull Run in my Form ADV?

It depends on your firm and your state. Firms that use outside managers usually cover it here:

Where	What usually goes there
Part 1A, Item 5.G	Check selection of other advisers if you select or recommend outside managers.
Part 2A, Items 4, 8	That your services include selecting outside managers, and how you choose and monitor them.
Part 2A, Item 5.C	That clients also pay the manager's fee, Bull Run's 0.50%, in addition to yours.
Part 2A, Item 10.D	Only if a manager pays you or a business tie creates a conflict. The two firms share no fees.

State-registered firms also complete Part 2A, Item 19. Confirm the details with your compliance consultant.

Where does the track record come from?

From real client accounts. The live daily returns come straight from Black Diamond exports of one client account per strategy, and we will send you the exports behind any published day. Every account in a strategy holds the same stocks and trades in the same block orders, so your clients' accounts should track the published returns closely; differences come mostly from cash going in or out and from fees. Each strategy is backtested before its live date: Innovation March 2020, Core and Low Volatility 2021, Growth April 2022. One Low Volatility stretch, Aug 30, 2023 to May 7, 2024, had no client account and uses a model of its last holdings. The record is not GIPS-verified.

How do we get started?

Book a 20-minute call with Chris. Your firm then completes its own review with the documents on Advisor Resources, and you open accounts through the Marketplace.

Questions?

Chris answers advisor questions himself. For your clients, use the client version of this guide.

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