

February 26, 2025

ITEM 1. INTRODUCTION

Spring Capital Management, L.L.C. is registered with the Securities and Exchange Commission as an Investment Adviser. Brokerage and investment management services and fees differ, it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which provides educational materials about broker-dealers, investment advisers, and investing.

ITEM 2. RELATIONSHIPS AND SERVICES

A. What investment services and advice can you provide me?

B. Description of Services

We are an investment adviser and provide advisory accounts and services rather than brokerage accounts and services. We provide assets management through The Spring Capital ADEPT Wrap Fee Program or we may determine that opening an account with a professional third-party money manager is in your best interest. Financial Service Providers vary in the way they provide planning, advising and brokerage services. Bob Rathbun is also a registered representative of Purshe, Kaplan, Sterling Investments CRD # 35747 ("PKS"), an SEC registered broker-dealer. Through this relationship he may offer brokerage services to clients of the Adviser. You should carefully consider which types of programs and services are right for you; investment adviser or brokerage.

- **Monitoring:** As part of our regular services, we will monitor your account on a regular basis and meet with clients annually.
- **Authority:** We manage client assets on either a discretionary or non-discretionary basis. With discretion you grant us the authority to determine the securities and amount to be bought or sold without your consent prior to each trade, (considering any restrictions placed on the account, if applicable). Without discretion you make the ultimate decision regarding the purchase or sale of investments.
- **Additional Information:** Please refer to our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1 Wrap Brochure) for a more detailed description of our investment advisory services.

Conversation Starters: "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?"

ITEM 3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

A. What fees will I pay?

Upon execution of the agreement, you will pay us on-going fee, based upon an agreed annual percentage rate, generally referred to as an asset based fee. Our fees do vary by product type but are negotiable. Our minimum account opening balance is \$1,000,000 (one million dollars) which may be negotiable. Ongoing asset-based fees will be billed quarterly, in advance or arrears, depending on the client's needs, and billed on the daily average balance for the preceding quarter and debited directly from your custodial account upon notification to the custodian. Clients referred to third party money managers will pay a separate fee to the third party manager. Our fees reduce your investable assets and will be deducted from your account. The more assets you have in the advisory account, the more you will pay. This is a conflict of interest as it creates an incentive to increase the assets in your account in order to increase our fees. Fees and costs will reduce the amount of money you make over time and you will pay fees and costs whether you make or lose money. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.

- We manage client assets through wrap fee programs. Through the wrap fee program, you will pay an asset-based fee. This wrap fee will include most transaction costs and fees to the custodian/broker-dealer that has custody of your assets. Our fees are not higher than a typical non-wrap asset-based advisory fee.
- Some investments such as mutual funds impose additional fees that will reduce the value of your investment over time.
- **Additional Information:** Please refer to our and the third party manager's Form ADV Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1 Wrap Brochure) for a more detailed description of our investment advisory fees.

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Conversation Starter: 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 you invest 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 have to act in your best interest and not put our interest 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. (ii) Examples of Ways You Make Money and Conflicts of Interest: (a) Proprietary Products: We do not offer advice only with respect to proprietary or a limited menu of products; (b) Third-Party Payments: We do utilize the services of third parties in the management of client accounts; (c) Revenue Sharing: We do not have any revenue sharing agreement; (d) Principal Trading: Investments we buy from a retail investor, and/or investments we sell to a retail investor, for or from our own accounts, respectively. We do not execute principal transactions;

Conversation Starter:

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

How do your financial professionals make money?

Investment advisor representatives are paid from the fees charged to the client. Mr. Rathbun will receive commissions for those clients who have brokerage accounts at PKS. It is important to understand the differences between a brokerage commission-based account and an asset-based fee account.

<i>an asset-based fee</i> if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee.	<i>a transaction-based fee</i> from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time.
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ITEM 4. DISCIPLINARY HISTORY

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

No. Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter

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

ITEM 5. ADDITIONAL INFORMATION

Additional information can be found on our website, www.springcapitalmanagement.com. A copy of this form will be posted to our site or available upon request by calling (806) 322-5000. We also encourage you to seek additional information.

- For additional information about our brokers and services, visit Investor.gov, BrokerCheck at BrokerCheck.Finra.org, our web site www.springcapitalmanagement.com.
- To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, <https://www.finra.org/investors/file-complaint>. If you have a problem with your investments, account or financial professional, contact us in writing at 600 S. Tyler, Suite 1515, Amarillo, TX 79101. or call (806) 322-5000.
- Additional information can be obtained by calling (806) 322-5000 or in writing at 600 S. Tyler, Suite 1515, Amarillo, TX 79101.

Conversation Starter

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