

Burney 130-30 Long-Short Strategy Fact Sheet



Founded in 1974, Burney is a \$3 billion investment manager based in Virginia that offers multiple GIPS-compliant SMA strategies. Learn more at burney.com.

Overview

Investment Style	US Long-Short Equity
Inception Date	January 2017
Total Strategy Assets	\$69.4 Million
Minimum Investment	\$250,000
Benchmark	S&P Composite 1500
Long Holdings	30-70 (via BRNY ETF)
Short Holdings	30-50
Vehicle	SMA
Available at	Interactive Brokers, Schwab

Top 10 Holdings

(As of May 31, 2026)

1	Burney US Factor Rotation ETF IV	122.77%
2	RXO Inc	-1.80%
3	Blue Owl Cap Corp	-1.24%
4	Vistra Corp	-1.20%
5	Draftkings Inc Class A	-1.18%
6	Nike Inc Class B	-1.07%
7	Gallagher Arthur J & Co	-1.06%
8	Concentra Group Holdings	-1.04%
9	Brown & Brown Inc	-1.04%
10	WesBanco Inc	-0.98%

Investment Philosophy & Strategy

The strategy combines full market participation with continuous tax-loss harvesting opportunities. We deploy longs and shorts in an effort to create portfolio alpha - both return alpha and tax alpha. Our portfolio is long 130% and short 30% resulting in net 100% long exposure. We are long highly rated stocks and short low rated stocks per our proprietary rating system. What makes our implementation truly unique is we use our actively managed ETF (Ticker: BRNY) as the 130% long side of the portfolio. This permits us to be active in stock selection and turnover in a tax-efficient wrapper.

Key Investment Features

Proprietary Stock Selection & Long-Short Implementation

Our quantitative model includes factors like Value, Profitability, Growth, Quality, and Momentum, combined with machine learning and alternative data to predict outperformers and underperformers for optimal long-short positioning.

Tax-Efficient Market Exposure

130% allocation to our BRNY ETF provides tax-deferred growth while 30% short positions generate realized losses for tax-loss harvesting, creating ongoing tax advantages even in rising markets.

Advanced Cycle Analysis

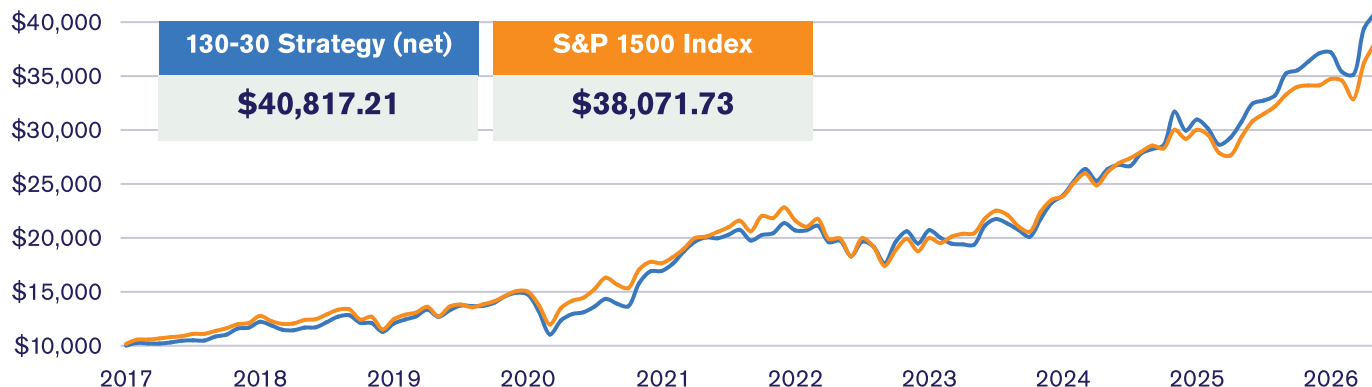
With over 25 years of experience, our research demonstrates the cyclical nature of size and style market phases, allowing us to position portfolios advantageously across market cycles.

Annual Returns

Year	130-30 Strategy (Gross)	130-30 Strategy (Net Accrual)	S&P 1500 Index
YTD 2026	10.23%	10.23%	11.48%
2025	25.60%	25.55%	17.02%
2024	28.72%	28.71%	23.95%
2023	19.56%	19.47%	25.47%
2022	-7.95%	-8.86%	-17.78%
2021	27.66%	26.50%	28.45%
2020	14.47%	13.32%	17.92%
2019	33.47%	32.08%	30.90%
2018	-2.26%	-3.33%	-4.96%
2017*	17.75%	16.79%	21.13%

*Inception in 2017 is January 1, 2017

Growth of \$10,000 (Since Inception: January 2017)



Performance Summary (Net)

	YTD	1-Year	3-Year	5-Year	Since Inception
130-30 Strategy Return	10.23%	33.08%	28.90%	15.65%	16.31%
S&P 1500 Return	11.48%	29.67%	23.09%	13.60%	15.26%

Portfolio Management Team

Lowell Pratt, CFA | Lead Portfolio Manager
Yevgeniy Gushcha, PhD | Portfolio Manager

Andrew Pratt, CFA, CAIA | Portfolio Manager
Joel Sues, CFA, CAIA | Portfolio Manager

Important Disclosures

We execute this strategy at two custodian firms: Interactive Brokers and Schwab. Both custodians offer competitive margin rates vs other custodians. Clients seeking to utilize this strategy will need to sign a margin agreement with the custodian firm. The strategy can only be executed in taxable accounts with a minimum investment of \$250k.

The primary risks associated with this strategy include the following:

- **Unlimited risk of loss from short selling.** Unlike long positions, where losses are limited to the initial investment, the price of a stock sold short can rise indefinitely, potentially causing rapid and unlimited losses. The Burney Company employs various measures to reduce this risk, but losses can still occur.
- **Leverage and margin risk.** Long-short strategies use margin to boost exposure, increasing both potential gains and losses. A decline in stock value can trigger margin calls.
- **Tracking error and portfolio risk.** There is potential for tracking error due to the performance of our stock selection model. Success depends on the portfolio manager's ability to choose both winning longs and losing shorts. Poor timing or incorrect analysis can lead to losses on either side. Additionally, in volatile market conditions, the assumed hedge between long and short positions may break down, leaving the portfolio vulnerable to broad market downturns.
- **Costs and tax implications.** This portfolio incurs additional expenses, including margin charges, as detailed in the margin agreement. Additionally, closing out positions
 - can lead to significant short-term capital gains tax liabilities that may not be fully offset.
- **Liquidity risks.** Some short positions may become difficult to borrow or cover, particularly in volatile markets, making unwinding difficult.

The strategy is intended for sophisticated investors with aggressive or moderately aggressive risk tolerances who understand the strategy's complexity and the unlimited loss potential of short selling. Past performance is not indicative of future results. All investments involve risk, including loss of principal.

Although we do not directly take a management fee from accounts invested in this strategy, our ETF incurs a 0.79% management fee paid to us. This fee is increased by the 130% allocation on the long side. The ETF fees are separate from the management fees paid by Burney Clients to The Burney Company. To prevent double-billing, the ETF fee will be offset by the management fee. If the management fee exceeds the ETF fee, the difference may be charged to clients as an advisory fee. If the ETF fee is equal to or higher than the management fee, no management fee will be charged on ETF assets. For example, if your Burney management fee is 1%, the 0.79% ETF management fee will be offset, so that you will pay us only 0.21% in advice fees.

Advisory services are offered through the Burney Company, an investment adviser registered with the U.S. Securities & Exchange Commission. Registration as an investment Adviser does not imply a certain level of skill or training.