

PUBLIC

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SECURITIES AND EXCHANGE COMMISSION  
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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/25 AND ENDING 12/31/25  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: &Partners, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer
- Security-based swap dealer
- Major security-based swap participant
- Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

40 Burton Hills Blvd, Suite 350

(No. and Street)

Nashville

TN

37215

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Michael C Schaller

314-897-4920

mike.schaller@andpartners.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

Anders Minkler Huber & Helm LLP

(Name – if individual, state last, first, and middle name)

800 Market St, Suite 500

St Louis

MO

63101

(Address)

(City)

(State)

(Zip Code)

01/25/2005

2100

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, Michael C Schaller, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of &Partners, LLC, as of 12/31, 2025, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

[Handwritten signature]



Notary Public

Signature: [Handwritten signature]

Title: FinOp and Controller

This filing\*\* contains (check all applicable boxes):

- (a) Statement of financial condition.
(b) Notes to consolidated statement of financial condition.
(c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income...
(d) Statement of cash flows.
(e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
(f) Statement of changes in liabilities subordinated to claims of creditors.
(g) Notes to consolidated financial statements.
(h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
(i) Computation of tangible net worth under 17 CFR 240.18a-2.
(j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
(k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
(l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
(m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
(n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
(o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
(p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
(q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
(r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(t) Independent public accountant's report based on an examination of the statement of financial condition.
(u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
(v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
(y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
(z) Other:

\*\*To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

**STATEMENT OF FINANCIAL CONDITION**

**&PARTNERS, LLC**

**AS OF DECEMBER 31, 2025**

**AND**

**Report of Independent Registered Public Accounting Firm**

**&PARTNERS, LLC**  
*DECEMBER 31, 2025*

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## Report of Independent Registered Public Accounting Firm

Member  
&Partners, LLC  
St. Louis, Missouri

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of &Partners, LLC as of December 31, 2025, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement present fairly, in all material respects, the financial position of &Partners, LLC as of December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statement are the responsibility of &Partners, LLC's management. Our responsibility is to express an opinion on &Partners, LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to &Partners, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.



We have served as &Partners, LLC's auditor since 2024.

St. Louis, Missouri  
3/2/2026

**&PARTNERS, LLC**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2025**

**ASSETS**

Cash and cash equivalents	\$	34,083,776
Receivable from brokers, dealers and clearing organizations		7,993,651
Deposits with clearing organizations		4,020,081
Fair value of securities owned		1,186,280
Receivable from financial advisors		1,569,494
Prepaid expenses		2,378,355
Right of use lease assets, net		11,420,169
Property and equipment, net		482,437
Intangible assets, net		121,847
State tax receivables		3,505,372
Other assets		<u>2,138,489</u>
Total Assets	\$	<u>68,899,951</u>

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities**

Commissions payable	\$	18,264,950
Other accrued compensation and benefits		6,218,981
Accrued expenses and other liabilities		3,254,594
Accounts payable		2,289,494
Lease liability		<u>12,136,470</u>
Total Liabilities		<u>42,164,489</u>
Member's Equity		<u>26,735,462</u>
Total Liabilities and Member's Equity	\$	<u>68,899,951</u>

The accompanying notes are an integral part of this statement.

## **&PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### Nature of Business

&Partners, LLC (the “Company”) (formerly Wiley Bros – Aintree Capital, LLC) began business as a Tennessee Limited Liability Company on May 1, 1996. The Company is a wholly-owned subsidiary of Ampersand Partners, LLC (the “Parent”). The Company is a broker dealer registered with the Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investors Protection Corporation (“SIPC”). The Company is also an investment advisor registered under the Investment Advisors Act of 1940. The Company is headquartered in Nashville, TN and has offices located throughout the United States.

##### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”) as determined by the Financial Accounting Standards Board (“FASB”).

##### Uses of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

##### Single Reportable Segment

The Company is engaged in a single line of business as a securities broker-dealer, which is comprised of principal transactions, agency transactions, and administrative services. The Company has identified its CEO as the chief operating decision maker (“CODM”), who uses net income to evaluate the results of the business, predominantly in the forecasting process, to manage the Company. Additionally, the CODM uses excess net capital (see Note 3), which is not a measure of profit and loss, to make operational decisions while maintaining capital adequacy, such as whether to reinvest profits or pay distributions. The Company’s operations constitute a single operating segment and therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The accounting policies used to measure the profit and loss of the segment are the same as those described in the summary of significant accounting policies.

##### Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash held by financial institutions which exceed the Federal Deposit Insurance Corporation (“FDIC”) limits expose the Company to concentrations of credit risk. Balances throughout the year usually exceeded the maximum coverage provided by the FDIC on insured depositor accounts. The Company has not experienced any losses in such accounts and believes it is not subject to any significant credit risk in cash. At December 31, 2025, the Company had \$32,756,313 in excess of FDIC limits.

## **&PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

#### Receivables from Brokers, Dealers and Clearing Organizations

The Company clears all of its proprietary and customer transactions through another broker-dealer on a fully disclosed basis. Based on the terms and conditions of the Company's agreements with its clearing brokers, the amount receivable from the clearing brokers represents commissions receivable less amounts payable for transaction costs on unsettled securities trades.

#### Receivables from Financial Advisors

Receivables from financial advisors consist of various advance payments for, or on behalf of, certain financial advisors. Based on management's assessment of the credit history with its advisors having outstanding balances and current relationships with them, it has concluded that realized losses on balances outstanding at year end will be immaterial.

#### Allowance for Credit Losses

The Company applies FASB Accounting Standards Codification ("ASC") 326, Financial Instruments-Credit Losses, the impairment model for certain financial assets measured at amortized cost by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the entire life of the of the financial asset, recorded at inception or purchase. Under the accounting update, the Company has the ability to determine whether there are expected credit losses in certain circumstances. The allowance for credit losses is based on the Company's expectation of the collectability of financial instruments carried at amortized costs, including commissions, fees and other receivables from clearing firms, and receivables from financial advisors utilizing the CECL framework. The Company considers factors such as historical experience, credit quality, age of balances, and current and future economic conditions that may affect the Company's expectations of collectability in determining the allowance for credit losses. The Company's expectation is that the credit risk associated with commissions, fees and other receivables from clearing firms, and receivables from financial advisors is not significant until they are 90 days past due on the contractual arrangement and expectation of collection in accordance with industry standards. Management does not believe that an allowance is required as of December 31, 2025.

#### Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed on a straight-line basis over their estimated useful lives, which range from three to five years. Major renewals and betterments, which extend the useful life of the asset are capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in the statement of income. Leasehold improvements are amortized over the lesser of the economic life of the improvement, or the term of the lease.

#### Intangible Assets

Intangible assets are recorded at cost. Amortization is computed on a straight-line basis over the estimated useful life, which ranges from one to three years.

## **&PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

#### Deposits with Clearing Organizations

Deposits with clearing organizations consist of cash which has been placed with the Company's clearing organization in the normal course of business. On December 31, 2025, the Company had \$4,020,081 in cash on deposit with the Company's clearing organization.

#### Retirement Plan

The Company maintains a qualified retirement plan under Section 401(k) of the Internal Revenue Code. Under the plan, employees may elect to defer a percentage of their salary, subject to Internal Revenue Service limits. In addition, the plan requires a safe-harbor contribution and allows for additional discretionary contributions based on the participant's total compensation.

#### Revenue Recognition – Proprietary Securities Transactions

Security transactions are recorded in the accounts on a trade-date basis.

#### Fair Value

Receivable from brokers, dealers and clearing organizations, receivables from financial advisors, securities owned, other assets, accounts payable, notes payable, other accrued expenses, and payables to brokers, dealers and clearing organizations, are recorded at contracted amounts that approximate fair value.

Securities owned at fair value are determined using quoted market or dealer prices or other relevant observable information. The fair value of certain of these items is not materially sensitive to shifts in market interest rates because of the limited term to maturity and/or the variable interest rates of many of these instruments. The Company categorizes its assets and liabilities that are accounted for at fair value in the Statement of Financial Condition into a fair value hierarchy in accordance with FASB ASC 820, Fair Value Measurements and Disclosures. The fair value hierarchy is directly related to the amount of subjectivity associated with the inputs utilized to determine the fair value of these assets and liabilities (See Note 9).

#### Income Taxes

The Company is a limited liability company treated as a disregarded entity for federal, state, and city income tax purposes and accordingly, no provision has been made in the accompanying financial statements for any federal, state, or local tax.

The Company has elected to participate in certain state pass-through entity tax ("PTET") programs, under which state income taxes are imposed at the entity level rather than at the partner level. Taxes paid under these programs are recorded as state and local tax expense, as the legal incidence of the tax rests with the Company.

Amounts attributable to PTET payments are subsequently allocated to the partners in accordance with the Company's partnership agreement and reflected through partners' capital accounts.

Certain state jurisdictions require or permit the Company to remit composite income taxes on behalf of its partners. Composite taxes paid are recorded as distributions to partners and are included in partners' capital account rather than as income tax expense in the statements of income.

## **&PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

#### Uncertain Tax Positions

Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits or liabilities that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company or its member will not be subject to additional tax, penalties, and interest as a result of such a challenge. Generally, the Company's tax returns remain open for three years for federal income tax examination.

#### Leases

The Company recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Company reviews all relevant contracts to determine if the contract contains a lease at its inception date. A contract contains a lease if the contract conveys to the company the right to control the use of an underlying asset for a period of time in exchange for consideration. If the Company determines that a contract contains a lease, it recognizes, in the statement of financial condition, a lease liability and a corresponding right-of-use asset on the commencement date of the lease.

The Company is a lessee in several non-cancellable operating leases for office space. The Company recognizes lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The implicit rates of the Company's leases are not readily determinable and accordingly, it uses its incremental borrowing rate as the discount rate based on the information available at the commencement date for each lease. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term. The Company applies the short-term lease practical expedient of excluding leases with a term of twelve months or less from the statement of financial condition.

#### Other Assets

Other assets consist of security deposits, intercompany receivables, and other receivables.

#### Revenue from contracts with customers

The Company records revenues under the provisions of ASC 606, using a five-step revenue model to recognize revenue from contracts with customers. The five steps used in this process are: 1) identify the contract, 2) identify the performance obligations in the contract, 3) determine the transaction price, 4) allocate the price to the performance obligations, and 5) recognize the revenue. Under this standard, recognition of revenue occurs when a customer obtains control of promised services or goods in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount of timing of and cash flows from customer contracts.

## **&PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

#### *Asset Management*

*Investment advisory fees.* The Company provides investment advisory services on a daily basis. The Company believes the performance obligation for providing advisory services is satisfied over time because the customer is receiving and consuming the benefits as they are provided by the Company.

Fee arrangements are based on a percentage applied to the customer's assets under management. Fees are received quarterly and are recognized as revenue at the time as they relate specifically to the services provided in that period, which are distinct from the services provided in other periods.

#### *Commissions*

*Brokerage Commissions and Revenue from Sale of Investment Company Shares.* The Company buys and sells securities, investment company shares, and annuities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date that the Company fills the trade order by finding and contracting with counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. 12b-1 fees are recognized as revenue at the point in time that the service is performed.

#### *Investment Banking*

*Underwriting fees.* The Company underwrites securities for governmental entities that want to raise funds through a sale of securities. Revenues are earned from fees arising from securities offerings in which the Company acts as an underwriter. Gain or Loss is recognized on the trade date (the date on which the Company purchases the securities from the issuer) for the portion the Company is contracted to buy. The Company believes that the trade date is the appropriate point in time to recognize revenue for securities underwriting transactions as there are no significant actions which the Company needs to take subsequent to this date and the issuer obtains the control and benefit of the capital markets offering at that point

#### *Revenue from Clearing Firm*

*Revenue from net asset flows and cash sweep.* The Company earns fees from its clearing firm based on recruited customer assets and cash balances in accordance with the terms specified in the customer brokerage agreements and the Company's clearing contract.

*Revenue from margin interest.* The Company earns fees from its clearing firm based on margin balances in customer accounts in accordance with the terms specified in the customer brokerage agreements and the Company's clearing contract.

**&PARTNERS, LLC**

**NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

**NOTE 2 - FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK**

In the normal course of business, the Company is engaged in buying and selling securities as both principal and/or agent. The Company introduces these transactions for clearance to other firms on a fully disclosed basis. The agreements between the Company and its clearing broker dealers provide that the Company is obligated to assume any exposure related to nonperformance by its' customers. If any transaction fails to settle, the Company may incur a loss if the market value of the security is different from the contract amount of the transaction. The Company maintains cash and securities in excess of the established limit of the Securities Investor Protection Corporation ("SIPC").

**NOTE 3 - NET CAPITAL REQUIREMENTS**

As a registered broker-dealer, the Company is subject to the requirements of Rule 15c-3-1 under the Securities Exchange Act of 1934. At December 31, 2025, the Company's net capital of \$15,217,285 was \$13,196,530 in excess of the minimum requirement of \$2,020,755.

**NOTE 4 – PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Computers and equipment	\$	237,560
Office furniture and fixtures		379,096
Leasehold improvements		<u>250,702</u>
		867,358
Less accumulated depreciation		<u>(384,921)</u>
Net	\$	<u>482,437</u>
Right of use assets, net	\$	<u>11,420,169</u>

**&PARTNERS, LLC**

**NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

**NOTE 5 – INTANGIBLE ASSETS**

Intangible assets consist of the following:

Website development	\$	238,609
Cost to obtain contract		119,115
		<u>357,724</u>
Less accumulated amortization		<u>(235,877)</u>
Net	\$	<u>121,847</u>

**NOTE 6 - RELATED PARTY TRANSACTIONS**

Receivables from financial advisors consist of various advance payments for, or on behalf of, certain financial advisors. At December 31, 2025, amounts due from financial advisors and other related parties, are included in receivables from financial advisors and totaled \$1,569,494.

The Company has a receivable of \$352,456, due from the Parent as of December 31, 2025, for state income taxes. This balance is included in other assets on the statement of financial condition.

AmpersCap, LLC is a related party that facilitates financial advisor recruitment loans. In addition, the Parent occasionally provides short-term loan advances to financial advisors.

**NOTE 7- LEASE COMMITMENTS**

The Company is the lessee of office space under several month-to-month operating lease agreements in addition to obligations as a lessee for office space at several locations. The Company classified these leases as operating leases. Lease terms expire over the next one to eight years and contain renewal options. Because the Company is not reasonably certain to exercise these renewal options, the optional periods are not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments. The Company's leases do not include termination options for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include fixed payments plus, for many of the Company's leases, variable payments. The Company's office space leases require it to make variable payments for the Company's proportionate share of the building's property taxes, insurance, and maintenance of common areas. These variable lease payments are not included in lease payments used to determine lease liability and are recognized as variable costs when incurred.

**&PARTNERS, LLC**

**NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

Future minimum lease payments under non-cancellable operating leases are as follows:

Years ending December 31,	
2026	\$ 3,278,148
2027	3,186,603
2028	3,095,259
2029	2,781,270
2030	1,313,794
Thereafter	2,006,494
Total lease payments	15,661,568
Less: Imputed interest	(3,525,098)
Total operating lease liabilities	\$ 12,136,470
Weighted average lease term remaining (in years)	5.14
Weighted average discount rate	11.07%

Future minimum lease payments associated with short-term leases and leases that have not yet commenced were \$19,419 and \$2,900,776, respectively, and are not included in the above lease table.

**NOTE 8- CONCENTRATIONS OF CREDIT RISK**

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk related to cash.

**NOTE 9 - FAIR VALUE MEASUREMENT**

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.

**&PARTNERS, LLC**

**NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly. Securities owned at fair value are determined using quoted market or dealer prices or other relevant observable information.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

The following table presents the Company's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2025:

Fair Value Measurements on a Recurring Basis as of December 31, 2025

	Fair value	Level 1	Level 2
Securities owned	<u>\$ 1,186,280</u>	<u>\$ -</u>	<u>\$ 1,186,280</u>

**NOTE 10 – COMMITMENTS AND LEGAL CONTINGENCIES**

In the normal course of business, the Company is subject to various claims and litigation arising from normal business operations. Litigation is subject to many uncertainties, the outcome of individual litigated matters is not predictable with assurance, and it is reasonably possible that some legal actions or claims could be decided as unfavorable to the Company.

The Company and certain of its personnel are named defendants in separate arbitration matters initiated by competitor firms related to its recruitment and hiring activities. The statements of claim arising in connection with these arbitration matters allege that the hires violated certain duties and obligations owed to their prior firms and the Company aided and abetted such violations. The Company intends to vigorously defend itself and has also established certain contingencies intended to mitigate the costs/expenses associated with the proceedings and its defenses. Reserves are established for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. The actual costs of resolving legal claims may be substantially higher or lower than the amounts reserved for those claims. Based on information currently available, advice of counsel, available insurance coverage and established reserves, the Company believes that the eventual outcome of such matters will not, individually or in aggregate, have a material adverse effect on the Company's financial position. However, in the event of unexpected future developments, it is possible that the ultimate resolution of those matters, if unfavorable, may be material to the Company's results of operations for any particular period.

**&PARTNERS, LLC**

**NOTES TO FINANCIAL STATEMENT**

**DECEMBER 31, 2025**

**NOTE 11 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 2, 2026, the date the financial statements were available to be issued. There were no subsequent events that require adjustment or disclosure in the financial statement.