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IARD # 24549

Form ADV Part 2A: Firm Brochure

October 29, 2026

This brochure provides information about the qualifications and business practices of First Dallas Securities, Inc. It is prepared pursuant to regulatory requirements. If you have any questions about the contents of this brochure, please contact us at the phone number or website listed above. 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.

First Dallas Securities, Inc. is a Registered Investment Adviser with the SEC under the Investment Advisers Act of 1940 (the "Advisers Act"). However, such registration does not imply a certain level of skill or training. Additional information about First Dallas Securities, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure contains important information regarding aspects of our advisory business. We will provide you with a brochure before or at the time we enter into an advisory agreement with you, and an updated Brochure that includes a summary of material changes within 120 days of the end of each fiscal year, at no cost. Alternatively, we may deliver a summary of material changes that includes an offer to provide a copy of the updated brochure free of charge and information on how our clients may obtain the brochure.

We have made a number of minor edits and updated information on our assets under management. The following material change has been made to this Form ADV Part 2A, also known as the "Brochure," since our last delivery or posting of the Brochure on the SEC's public disclosure website (IAPD) www.adviserinfo.sec.gov:

- Change in ownership of Hodges Capital Holdings, Inc.: Chairman/CEO Craig D. Hodges now owns approximately 16.86% of the equity stock (previously approximately 23.7%), and the Hodges Capital Holdings Voting Trust, its largest shareholder, now holds approximately 34.81% (previously approximately 46.9%). See Item 4 for additional information.

Item 3: Table of Contents

ITEM 1: COVER PAGE 1
ITEM 2: MATERIAL CHANGES 2
ITEM 3: TABLE OF CONTENTS 3
ITEM 4: ADVISORY BUSINESS 4
ITEM 5: FEES AND COMPENSATION 5
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT 9
ITEM 7: TYPES OF CLIENTS 9
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS 9
ITEM 9: DISCIPLINARY INFORMATION 12
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS 13
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING 16
ITEM 12: BROKERAGE PRACTICES 17
ITEM 13: REVIEW OF ACCOUNTS 18
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION 18
ITEM 15: CUSTODY 18
ITEM 16: INVESTMENT DISCRETION 19
ITEM 17: VOTING CLIENT SECURITIES 19
ITEM 18: FINANCIAL INFORMATION 20
ITEM 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS 20
APPENDIX A: COMMISSION SCHEDULES 21
APPENDIX B: SCHEDULE OF ACCOUNT AND SERVICE FEES 22

Item 4: Advisory Business

INTRODUCTION

First Dallas Securities, Inc. is a Registered Investment Advisory Firm registered with the U.S. Securities and Exchange Commission ("SEC") since January 30th, 2006. We are notice filed in our home state of Texas and various other states, which means we are registered to do business in these states. We may conduct business in other states by claiming an exemption from registration. Our registration as an Investment Adviser does not imply any level of skill or training.

We provide oral and written communications that you may use to evaluate us and other advisers, which may be factors in your decision to hire us or to continue to maintain a mutually beneficial relationship. This Brochure provides information about our qualifications and business practices.

OWNERSHIP

First Dallas Securities, Inc. was formed as a corporation in Texas in October 1983 and first opened for business in 1988. First Dallas Securities, Inc. is a wholly owned subsidiary of Hodges Capital Holdings, Inc. Chairman/CEO, Craig D. Hodges owns approximately 16.86% equity stock. Hodges Capital Holdings' largest shareholder is Hodges Capital Holdings Voting Trust at 34.81%; of which Craig Hodges, Camille Hodges Hays, and Clark Hodges, trustees, each has approximately 1/3 voting control.

ADVISORY SERVICES OFFERED

INVESTMENT MANAGEMENT SERVICES:

Our investment management service consists of asset allocation and portfolio management tailored to meet your investment goals. Accounts are managed by an assigned investment adviser representative, who has discretion over the account and makes buy and sell decisions for assigned accounts based on his or her judgment of market conditions and the investment merits of securities as they relate to your investment objectives. Our investment adviser representatives operate independently of one another and therefore may place trades before or after trades for other client accounts, including the Hodges Mutual Funds.

We have the authority to invest in a wide variety of types of investments, but we generally focus on equity securities, more specifically, domestic stocks.

Discretionary Management of Advisory Accounts

As an investment adviser, we provide discretionary account management services. For these accounts, you have granted us discretion to buy and sell securities for your account through our investment adviser representative who serves as your principal contact. These investments are determined based upon your investment objectives, risk tolerance, net worth, net income, age, investment time horizon, tax situation, and other various suitability factors.

We do not participate in any wrap fee programs.

ASSETS UNDER MANAGEMENT:

As of July 31st, 2026, First Dallas Securities, Inc. had $398,438,408 in discretionary assets under management.

Item 5: Fees and Compensation

FEE SCHEDULE:

COMMISSION-BASED COMPENSATION INFORMATION:

We do not charge a separate management fee for our management of client advisory accounts. Rather, we are compensated for our advisory services on a commission-based arrangement by receiving commissions, transaction charges, 12b-1 or other mutual fund fees, and other customary brokerage charges imposed on or paid in connection with transactions effected in your account.

All transactions in your account are placed through First Dallas Securities, Inc., FINRA/SIPC, as broker-dealer. A portion of such commissions and other transaction fees and charges paid to us are paid to the particular investment adviser representative managing the account, who is also a registered representative of First Dallas Securities, Inc. as broker-dealer.

Commissions and other transaction fees and charges on transactions in a client's account are imposed according to our regular commission schedule and will vary from transaction to transaction depending on a number of factors, such as the size of order and the price and type of security. Normally, clients will pay a commission, plus any transaction fees for each transaction effected in their account. Our full commission schedules for trades in stocks, bonds and options are attached at the end of this Brochure as Appendix A. Basic information about the commissions charged by us is as follows:

STOCKS:

The commission for trading stocks varies depending on the quantity of shares traded and the round and odd lot principal amount traded. The stock commission schedule is attached as Appendix A.

BONDS:

The commission for trading a bond varies depending on the quantity of bonds traded, the type of bond (Treasury or other), the principal amount traded, and the price per bond. The bond commission schedule is attached as Appendix A.

OPTIONS:

The commission for trading option contracts varies depending on the number of contracts traded, the price per contract and the principal amount traded. The option commission schedule is attached as Appendix A.

MUTUAL FUNDS:

For purchases of Mutual Fund shares with a sales charge or sales load, the sales load (commission) paid is a percentage of the dollar amount of shares purchased, as specified in the Mutual Fund prospectus. The Mutual Fund may make payments to broker-dealers, including us, whose clients invest in the fund. Such payments may constitute all or a portion of the front-end load (sales commission imposed at the time of purchase) or back-end load (sales commission deferred until the time of redemption) charged on fund share transactions. Such payments may also consist of ongoing 12b-1 fees paid by the fund (sometimes referred to as "trailing fees") pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or shareholder or administrative services and may be paid out of the fund's assets.

To the extent a client's assets are invested in funds, the client will also be subject to other fees and charges as a fund shareholder, which are in addition to commissions and other transaction fees and charges paid to us. Those will include fees and charges imposed on shareholders of the fund or imposed on the fund and borne indirectly by shareholders, such as management fees charged to the fund by the fund's investment adviser, as well as other internal fees and charges, including in some cases 12b-1 fees. For purchases of no-load Mutual Fund shares, there is no sales "load" (commission) paid to us. For No-Load Mutual Fund shares, we may also be paid 12b-1 fees by the Mutual Fund as described above and in the Mutual Fund's prospectus.

We do not combine client purchases or sales of fund shares with purchases or sales of our other clients in that fund for the purpose of attempting to obtain discounts on sales loads or commissions. Loads, fees, charges, and other pertinent information concerning any fund in which a client's account is invested can be found in the fund's prospectus, which may be obtained upon request to a First Dallas Securities Inc. investment adviser representative.

In addition to any Mutual Fund load fees assessed by the Mutual Fund company itself, there may be transaction fees and/or charges imposed in connection with each trade in a client's account. These charges are for certain expenses incurred with your transaction, some of which are charged by our custodian. The ticket charge per trade is $13.95, which consists of a $10 ticket charge and a $3.95 transaction fee.

ADDITIONAL TYPES OF FEES OR EXPENSES:

Commissions and other transaction fees and charges are borne by the client at the time of the transaction. Commissions and such other fees and charges are reflected in the cost of the securities purchased and sold.

Other broker-dealers may charge more or less for commissions and other transaction fees and charges than we charge under our commission-based arrangement for advisory account services. In addition, we offer advisory account services on a commission-based arrangement only. When considering this type of commission-based account, clients should bear in mind that, under certain circumstances, commission-based accounts may result in higher or lower costs than other types of accounts for comparable services that may be offered elsewhere, such as fee-based accounts, where fees are fixed or where fees are charged on an ongoing basis as a percentage of the assets in the account.

Commission-based accounts may result in higher costs than fee-based accounts, for example, in actively traded accounts or in any account during periods when trading is heavier, such as in the first year the account is established. On the other hand, commission-based accounts may result in lower costs than fee-based accounts in less actively traded accounts or during periods when trading activity is lower. Consequently, the total annual cost of a commission-based account versus a fee-based account can vary significantly, depending on a number of factors such as account size, amount of trading activity, type of securities purchased or sold, quantities of securities purchased or sold, commission rates and the client's tax situation. Clients with any questions about our commission-based arrangement should consult with their First Dallas Securities Inc. Investment Adviser Representative. A review of your account to evaluate the commission structure will be conducted to discuss fee-based options, if appropriate, and in your account's best interest on an annual basis.

Wells Fargo Clearing Services is the clearing firm for our brokerage business. Due to this business relationship, Wells Fargo Clearing Services shares with us a portion of the transaction costs and fees you pay to Wells Fargo Clearing Services for certain transactions and services. The compensation we receive in connection with certain transactions and services is an additional source of revenue to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm, and presents a conflict of interest because the Firm has a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation to the Firm over those investments and services that do not.

In general, these revenue sources include a percentage or portion of fees and transaction charges collected by Wells Fargo Clearing Services and shared with our firm, such as:

(1) margin interest charges
(2) IRA fees
(3) inactivity fees
(4) ticket charges
(5) transaction fees
(6) mutual fund 12b-1 trails and/or other fees
(7) money market and bank sweep interest
(8) other miscellaneous charges.

Additional details are provided below:

- Transfer Charges: You can be assessed transfer charges on account transactions and other miscellaneous charges by Wells Fargo Clearing Services.

- Margin Interest Charges: To the extent margin is available, such accounts must meet certain risk tolerance requirements. When margin is used to buy additional securities, the total value of eligible program assets increases. In addition, you can be charged margin interest on debit balances in your account.

- Mutual Fund 12b-1 Trails: Certain funds in which a client's account may be invested may make payments to broker-dealers, including us, whose clients invest in the fund. Such payments may constitute all or a portion of the front-end load (sales commission imposed at the time of purchase) or back-end load (sales commission deferred until the time of redemption) charged on fund share transactions. Such payments may also consist of ongoing 12b-1 fees paid by the fund (sometimes referred to as “trailing fees”) pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or shareholder or administrative services and may be paid out of the fund's assets.

  To the extent a client’s assets are invested in funds, the client will also be subject to other fees and charges as a fund shareholder, which are in addition to commissions and other transaction fees and charges paid to us. Those will include fees and charges imposed on shareholders of the fund or imposed on the fund and borne indirectly by shareholders, such as management fees charged to the fund by the fund’s investment adviser, as well as other internal fees and charges, including in some cases 12b-1 fees.

- Money Market & Bank Sweep Interest: If your account has invested in a mutual fund money market that pays interest or a Bank Sweep vehicle that pays interest, we may receive a portion of the interest paid by our clearing agent, which reduces your interest received.

- Other Fees: You may also be charged additional fees for executing certain transactions. Examples include transaction charges, ticket charges, or service fees or charges, a portion of which we may receive.

Miscellaneous Fees: We also reserve the right to charge additional fees to close an account except when your state of residence prohibits an account closing fee. Refer to Appendix B and your agreement regarding specific fees and additional information.

TERMINATION:

If the client was delivered this Part 2A Brochure less than 48 hours prior to entering into an advisory agreement with us, the client may terminate the agreement without any penalty within five (5) business days. Thereafter, and in any case, an advisory agreement may be terminated by either party at any time upon written notice. Upon notice of termination of the advisory agreement, any pending trade will be settled, and any pending payments of commissions or other applicable fees and charges will be applied to the account as appropriate. Upon termination, no refund of compensation is anticipated since our compensation for services under the advisory agreement is not prepaid but rather is paid at the time transactions are effected in the account.

LIMITATION OF LIABILITY AND ARBITRATION PROVISIONS:

Our investment advisory agreement for advisory accounts contains provisions which may function as a waiver, release or limitation of certain rights the client may have against us arising from management of the client's account. The agreement states that we are not liable for any loss arising out of any investment decision or for any other act or omission taken with respect to the account, except for any act or omission which constitutes willful misfeasance, bad faith or negligence in the performance of its duties, or reckless disregard of its obligations and duties under the agreement. Federal and state securities laws may impose liabilities under certain circumstances notwithstanding this limitation, and therefore nothing in that provision will waive, release or limit any rights a client may have under those laws or under any other laws that are not permitted to be waived by contract.

ERISA ACCOUNTS, PROFIT SHARING 401(K), SEP'S:

We may also have other retirement accounts which are subject to ERISA rules and regulations. In all cases an "eligible investment advice arrangement" or advisory agreement will be executed with the client. We will be considered a "fiduciary advisor" and will charge fees to the retirement account.

GENERAL INFORMATION:

There is no guarantee that the advisory services provided by our firm, or our investment adviser representatives, will result in a client's goals and objectives being met. Investing involves risks, including the risk of loss of principal, and investment decisions made for a client's account may be subject to numerous risks, such as market, interest rate, currency, economic, political, and business risks, among others. Past performance is no guarantee of future results. We do not guarantee the performance of any client account, either in the absolute or relative to any benchmark or index, and do not guarantee the success of any investment decision or strategy that may be used in managing an account, including the management of risk.

Our firm and its investment adviser representatives perform advisory, brokerage and other services for other clients in similar and other types of accounts. At times, a conflict of interest may arise with respect to client accounts. The advice given and the action taken may differ from advice given, or the timing and nature of action taken in another client's account, which may adversely affect either client, even if the accounts have similar investment goals and objectives.

ACKNOWLEDGEMENT OF FIDUCIARY STATUS:

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 interests 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.

Item 6: Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees, nor do we provide side-by-side management services.

Item 7: Types of Clients

CLIENT BASE:

Our customer base consists of individuals, institutions, trusts, estates, charitable organizations, corporations, and pension and profit-sharing plans. We service these types of clients, but we may not have all these types as current clients.

CONDITIONS FOR ACCOUNT MANAGEMENT:

The minimum to establish an advisory account with First Dallas Securities is $100,000. First Dallas Securities has accepted accounts that are smaller and reserves the right to do so in the future at its discretion. We do not consider our compensation arrangement or commissions negotiable; however, we reserve the right to voluntarily waive, lower or discount any commissions or other charges otherwise applicable to any particular client's account when we deem it appropriate, which may include transactions in accounts in which our firm or its related persons have an interest.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis & Investment Strategies:

- Discussion regarding your objectives.
- Review of existing holdings.
- Ongoing analysis of funds.
- Advice on best direction for new investments.
- Updates of specific changes within the market or to particular funds.
- Periodic monitoring of recommended investments and yearly review.

The flexibility of our strategies provides us with an opportunity to best manage investment risks in any investment market. Our advisory affiliate, Hodges Capital Management, maintains a Research Department that evaluates the investment merits of securities and provides information to investment personnel, who may use the information in managing client accounts for which they have responsibility at either firm.

We use Fundamental and Technical security analysis methods. In addition to the other sources noted, we also use online research available from sources such as Thomson Financial.

Fundamental Analysis involves using real data to evaluate a security's value. We perform fundamental analysis on a security's value by looking at economic factors, such as interest rates and the overall state of the economy, information about issuers, potential changes in credit ratings, revenues, earnings, future growth, return on equity, profit margins and other data to determine underlying value and potential for future growth.

Technical Analysis involves studying supply and demand in the market to determine what direction or trend will continue in the future by understanding market emotions rather than its components. Understanding the benefits and limitations of technical analysis can give us a new set of tools and skills that will help us become a better trader or investor.

Our security analysis information is based on a number of sources including financial newspapers, periodicals, commercially available investment services, issuer-prepared information, security rating services, general market and financial information, due diligence reviews, and specific investment analysis that our clients may request.

RISK OF LOSS:

The advice offered by us to you is determined by the areas of expertise of the agent providing the service and your stated objective. You are advised to notify us promptly if there are ever any changes in your financial situation or investment objective, or if you wish to impose any reasonable restrictions upon our management services. If you wish to impose any reasonable restrictions upon our management services, you will need to advise us in writing of any restrictions.

We do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. All securities trading, whether in stocks, options, or other investment vehicles, is speculative in nature and involves substantial risk of loss that you should be prepared to bear. Past performance is not necessarily indicative of future results. You should make every effort to understand the risks involved.

The Principal Risks of Investing include, but are not limited to:

GENERAL RISKS:

You may lose money by investing with us. When you sell your investments, they may be worth less than what you paid for them because the value of investments will fluctuate, reflecting day-to-day changes in market conditions, interest rates, and a number of other factors.

EQUITY RISK:

Your investments will be subject to the risk that stock prices may fall over short or extended periods of time. Historically, the equity markets have moved in cycles, and the value of equity securities in your portfolio may fluctuate drastically from day to day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors will contribute to the volatility and risk of your assets.

SMALL-TO-MEDIUM-CAPITALIZATION RISK:

We may invest your assets in small- to medium-sized companies. Investing in securities of smaller companies including micro-cap, small-cap, medium-cap, and less seasoned companies, may be speculative and volatile and

involve greater risks than are customarily associated with larger companies. Small- to medium-sized companies may be subject to greater market risk and have less trading liquidity than larger companies. They may also have limited product lines, markets, or financial resources. Shares of small- to medium-sized companies may have more volatile share prices. Furthermore, small- to medium-sized companies often have less market liquidity, and their share prices can react more sharply to changes in the general marketplace.

ALLOCATION RISK:

Our allocation of investments among different asset classes may have a more significant effect on your returns when one of these classes is performing more poorly than others.

MARKET RISK:

Stock and bond markets often trade in random price patterns, and prices can fall over sustained periods of time. The value of the investments we make for you will fluctuate as the financial markets. short- or long-term fluctuate. This could result in your account value(s) declining over short- or long-term periods of time.

FOCUSED AND CONCENTRATED PORTFOLIO RISKS:

We may invest your assets in a smaller number of securities than other broadly diversified investment strategies based on your specific investment objectives. Our approach is often referred to as "focused, concentrated, or non-diversified." Accordingly, the money we manage for you may have more volatility and is often considered to have more risk than a strategy that invests in a greater number of securities, because changes in the value of a single security may have a more significant effect, either negative or positive, on your overall portfolio value. To the extent we invest your assets in fewer securities, or we invest in non-diversified funds that take a focused or concentrated approach, your assets are subject to greater risk of loss if any of those securities become permanently impaired.

SPECIAL SITUATION RISK:

We may invest your assets in special situations based on your specific investment objectives. Investments in special situations may involve greater risks when compared to other strategies due to a variety of factors. Expected changes may not occur, or transactions may take longer than originally anticipated, resulting in lower returns than contemplated at the time of investment. Additionally, failure to anticipate changes in the circumstances affecting these types of investments may result in permanent loss of capital, where we may be unable to recoup some or all of your investment.

LIQUIDITY RISK:

Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing us from selling out of these illiquid securities at an advantageous price.

FOREIGN SECURITIES RISK:

We have the ability to invest in foreign securities where warranted but will only trade U.S. dollar denominated securities. Foreign investments involve greater risk in comparison to domestic investments, because foreign companies/securities may have different auditing, accounting, and financial reporting standards; may not be subject to the same degree of regulation as U.S. companies, and may have less publicly available information than U.S. companies; and are often denominated in a currency other than the U.S. dollar.

CURRENCY RISK:

Your investments may be subject to currency risk. Currency fluctuations and changes in the exchange rates between foreign currencies and the U.S. dollar could negatively affect the value of your investments in foreign securities.

INTEREST RATE RISK:

Your investments are subject to interest rate risk. Interest rate risk is the risk that the value of a security will decline because of a change in general interest rates. Investments subject to interest rate risk will usually decrease in value when interest rates rise. For example, fixed-income securities with long maturities typically experience a more pronounced change in value when interest rates change.

CREDIT RISK:

Your investments are subject to credit risk. An investment's credit quality depends on its ability to pay interest on and repay its debt and other obligations.

PREPAYMENT RISK:

Your investments may be subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a security can be difficult to predict and result in greater volatility.

INFLATION RISK:

This is the risk that the value of your assets or income will be less in the future as inflation decreases the value of your money. As inflation increases, the value (purchasing power) of your assets can decline.

FUTURES AND OPTIONS RISKS:

Futures and options may be more volatile than direct investments in the securities underlying the futures and options, may not correlate perfectly to the underlying securities, may involve additional costs, and may be illiquid. Futures and options also may involve the use of leverage, which could result in losses greater than if futures or options had not been used. Futures and options are also subject to the risk that the other party to the transaction may default on its obligation.

MARGIN RISK:

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. Please Note: To the extent that a client authorizes the use of margin, and margin is thereafter employed in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest whereby the client's decision to employ margin may correspondingly increase the management fee payable. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

Item 9: Disciplinary Information

Our firm has a reportable legal or disciplinary event that occurred in 2017, in which First Dallas Securities was sanctioned by FINRA for improperly charging ticket charges to brokerage clients. For additional information on that event, the professional background, business practices, and conduct of our Firm and its Investment Adviser Representatives are available through the Financial Industry Regulatory Authority's (FINRA) BrokerCheck system link at www.finra.org/brokercheck or you may request disclosable information under BrokerCheck by calling (800) 289-9999, a toll-free hotline operated by FINRA. We have provided you with the above information so that you can determine whether it is material to your evaluation of the integrity of our firm or its advisory agents. We value and endeavor to protect the confidence and trust you place in our Firm and its advisory agents.

You may also access a full report of our advisory agents through IAPD link at www.adviserinfo.sec.gov. Should you have any technical difficulties with this link you can call (240) 386-4848 for further assistance.

The information that appears on these websites is collected from individual Investment Adviser Representatives, Investment Adviser Firm(s), and/or security regulator(s) as part of the security industry's registration and licensing process.

Item 10: Other Financial Industry Activities and Affiliations

Financial Industry Activities and Affiliations:

First Dallas Securities, Inc. and Hodges Capital Management are both wholly owned subsidiaries of Hodges Capital Holdings. Accordingly, First Dallas Securities, Inc. and Hodges Capital Management, Inc. are deemed to be under common control and therefore related persons.

In addition to providing advisory account services to clients of First Dallas Securities as an investment adviser, our firm or certain officers and investment adviser employees of our firm are also engaged in other business activities, including:

- Securities brokerage activities as a registered broker-dealer or as registered representatives of First Dallas Securities as a broker-dealer.
- Investment advisory activities as investment adviser employees of First Dallas Securities and its affiliate, Hodges Capital Management, which acts as investment adviser to the Hodges Mutual Funds and advisory accounts.

In connection with these other activities, such individuals may receive compensation in addition to the compensation they receive from providing advisory services to clients of our Firm, which may pose a conflict of interest.

Dual registration of First Dallas Securities: First Dallas Securities, Inc. (Member FINRA/SIPC) is a registered broker-dealer as well as a Registered Investment Advisory Firm with the Securities and Exchange Commission. The custody of your accounts, for both securities and funds, will be maintained at Wells Fargo Clearing Services, LLC, the designated custodian and clearing Firm for First Dallas Securities.

The commission-based arrangement applicable to our advisory account management services poses a conflict of interest for our firm and our investment adviser representatives to the extent it creates a financial incentive for them to effect transactions in a client's account which result in commissions or other compensation payable to them. However, we are constrained by fiduciary principles to act in our clients' best interests when managing the account.

INVESTMENT ADVISORY FIRM AFFILIATIONS:

Hodges Capital Management, Inc. is a wholly owned subsidiary of Hodges Capital Holdings. Craig D. Hodges, Chairman/CEO, owns approximately 16.86% equity stock. Hodges Capital Holdings' largest shareholder is Hodges Capital Holdings Voting Trust, which Craig D. Hodges, Camille Hodges Hays, and Clark Hodges, trustees, each has approximately 1/3 voting control. Accordingly, First Dallas Securities and Hodges Capital Management are deemed to be under common control and therefore related persons.

Hodges Capital Management, Inc. provides investment advisory services on a fee-based arrangement to certain types of clients, subject to its own terms, conditions, and other requirements. Some Investment Adviser Representatives of First Dallas Securities may also be Investment Adviser Representatives of Hodges Capital Management and may earn advisory fees in that capacity as well.

In addition, some clients of First Dallas Securities may also have an advisory account with Hodges Capital Management. Hodges Capital Management charges separate fees on accounts it manages.

Clients who want more complete information about services offered by Hodges Capital Management should consult with their First Dallas Securities investment adviser representative and obtain and read a copy of Hodges Capital Management's Form ADV, Part 2A Brochure. In its capacity as a broker-dealer, First Dallas Securities may execute trades for accounts advised by Hodges Capital Management.

HODGES MUTUAL FUNDS INFORMATION:

We may invest advisory clients' assets in shares of the Hodges Fund, the Hodges Blue Chip Equity Income Fund, the Hodges Small Cap Growth Fund, and the Hodges Small Intrinsic Value Fund, for which our affiliate, Hodges Capital Management serves as investment adviser, and in which various First Dallas Securities officers and employees are personally invested. For its services to the Hodges Mutual Funds, the Hodges Mutual Funds pay Hodges Capital Management a monthly management fee at an annual rate of 0.65%–0.85% of the Funds' average daily net assets. Fees and charges paid and borne by the Hodges Funds are described in greater detail in the Funds' current effective prospectus. In our capacity as a broker-dealer, we may also execute trades for the Hodges Mutual Funds.

We do not charge a commission for purchases or sales of shares of the Hodges Mutual Funds in advisory client accounts. Rather, our advisory clients are charged a flat ticket charge (currently $13.95, which consists of a $10 ticket charge and a $3.95 transaction fee) for each purchase or sale of Hodges Mutual Funds shares. In addition to these charges paid by the advisory client, we also receive from the Funds or the Funds' distributor 12b-1 fees that aggregate 0.25% of the total dollar amount of the Fund shares purchased by the client. A portion of those 12b-1 fees paid to us is in turn paid to the First Dallas Securities investment adviser representative managing the account, in their capacity as a registered representative of First Dallas Securities.

This receipt of 12b-1 fees poses a conflict of interest for First Dallas Securities and its investment adviser representatives to the extent it creates a financial incentive for them to purchase shares of the Hodges Mutual Funds for their advisory clients, which result in fees payable to them. Investing clients in shares of the Hodges Mutual Funds poses an additional conflict of interest for First Dallas Securities as a firm to the extent that it increases the Funds' assets and thereby increases the advisory fee payable to our affiliate or otherwise benefits First Dallas Securities related persons. However, we are constrained by fiduciary principles to act in our clients' best interests when managing accounts and will invest clients in the Funds only when it is appropriate to do so. We monitor activity in advisory accounts in an effort to ensure that transactions are appropriate. First Dallas Securities also acts as an underwriting broker for Hodges Mutual Funds. As underwriting broker, we receive 12b-1 fees in the amount of 0.05% of the total dollar amount of all shares sold by the Funds. That 0.05% is part of, and not in addition to, the 0.25% that we receive when Fund shares are purchased.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

First Dallas Securities' Code of Ethics sets certain standards of conduct for First Dallas Securities and its personnel and addresses certain conflicts of interest posed by their personal trading. The Code acknowledges that, as an investment adviser, First Dallas Securities is construed to have a fiduciary relationship with its advisory clients and, as such, owes its clients a duty of care and loyalty. In addition, the Code prohibits First Dallas Securities employees from engaging in fraudulent conduct and requires employees to conduct activities in a manner that avoids, to the extent possible, actual or potential conflicts of interest with clients or that treats clients fairly in the event of conflicts. The Code also contains prohibitions against fraud, deceit, and manipulation and specific provisions prohibiting conduct commonly known as “insider trading,” “self-dealing,” “front-running,” and “scalping.”

The Code also restricts employees' personal securities transactions in various ways, such as requiring employees to submit requests for personal securities transactions via My Compliance Office before placing a trade. These restrictions apply to access persons, who are defined as all employees of First Dallas Securities, except for clerical or ministerial staff. The Code also limits acceptance of gifts by employees of the Hodges Mutual Funds and/or First Dallas Securities. The Code also prohibits employees from serving on the boards of public companies without the Compliance Officer's prior approval.

To monitor First Dallas Securities’ compliance with the Code and applicable laws, each officer and employee is required to provide First Dallas Securities with access to their securities account data or duplicate copies of their account statements, which are reviewed by Compliance. In addition, each officer and employee is required to sign a statement acknowledging that they are subject to the Code and certifying that they are in compliance with all the policies, procedures, provisions and requirements contained in the Code and will remain in compliance with them so long as they are required. Personnel in violation of any First Dallas Securities policy may be subject to disciplinary measures, including dismissal.

This is only a summary description of First Dallas Securities’ Code of Ethics. The entire Code will be made available to you upon request.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS/PERSONAL TRADING:

All securities transactions recommended or traded for the account of an advisory client of First Dallas Securities will be placed with and executed through First Dallas Securities as a broker-dealer. First Dallas Securities earns compensation in the form of commissions or other transaction fees or charges in connection with such transactions. A portion of such commissions and other transaction fees and charges paid to First Dallas Securities is in turn paid to the First Dallas Securities’ investment adviser representative managing the account, who is also a registered representative of First Dallas Securities as a broker-dealer.

The commission-based arrangement applicable to First Dallas Securities' advisory account management services poses a conflict of interest for First Dallas Securities and its investment advisers to the extent it creates a financial incentive for them to effect transactions in a client's account which results in commissions or other compensation payable to them. However, First Dallas Securities and its investment advisers are constrained by fiduciary principles to act in their clients' best interests when managing the account. First Dallas Securities monitors activity in advisory accounts in an effort to ensure that transactions are appropriate.

In addition, First Dallas Securities may invest advisory clients' assets in shares of the Hodges Mutual Funds, for which First Dallas Securities' affiliate, Hodges Capital Management, serves as investment adviser and in which various First Dallas Securities officers or employees are invested personally. In addition, in its capacity as a broker-

dealer, First Dallas Securities acts as a selling broker for the Hodges Mutual Funds and may also execute trades for the Hodges Mutual Funds.

Under certain circumstances, First Dallas Securities or related persons, including its officers, directors and employees, are permitted to purchase and sell for their own account securities that may be the same as those recommended to clients for their accounts. All transactions involving related persons are subject to the Firm's Code of Ethics policy, which covers First Dallas Securities and its personnel.

Item 12: Brokerage Practices

BROKERAGE SELECTION

All securities transactions in First Dallas Securities' advisory accounts are placed through First Dallas Securities as a broker-dealer. The commissions and other transaction fees and charges paid to First Dallas Securities in connection with such transactions serve as the basis for First Dallas Securities' compensation for its portfolio management services to advisory clients. Commissions on transactions in a First Dallas Securities advisory client's account are generally charged according to First Dallas Securities' regular commission schedule. First Dallas Securities believes that its commissions are reasonable and customary; however, other broker-dealers may charge more or less than First Dallas Securities for commissions and such other transaction fees and charges.

First Dallas Securities takes steps aimed at ensuring that clients receive best execution and reasonable commission rates upon execution of their trades. First Dallas Securities may utilize its own trading system to route orders for execution or may utilize the trading system of Wells Fargo Clearing Services, LLC, Member FINRA/SIPC, an unaffiliated registered broker-dealer firm which acts as clearing agent for First Dallas Securities and as custodian for accounts opened at First Dallas Securities.

BROKERAGE FOR CLIENT REFERRALS:

Neither our Firm nor our Investment Adviser Representatives receive client referrals from a broker-dealer or other third parties when recommending to you a broker-dealer for the execution of securities transactions.

DIRECTED BROKERAGE:

First Dallas Securities does not allow clients to direct transactions through a specific broker-dealer.

Neither this Firm nor our advisory agents receive any products, research, or services other than those disclosed.

AGGREGATION OF ORDERS AND ALLOCATION OF PARTIALLY FILLED ORDERS:

On occasion, orders for a client's account may be aggregated with orders for other First Dallas Securities clients for whom the transaction is appropriate, even though accounts are individually managed. Client trades may also be aggregated with trades for affiliate accounts or accounts in which First Dallas Securities or its related persons have an interest.

Aggregation of orders may give rise to actual or potential conflicts of interest among the accounts for whom the transaction may be appropriate, and among the accounts selected to participate in the transaction, if the order is only partially filled. If more than one price is paid for securities in an aggregated transaction, each client in the transaction will typically receive the average price paid for the block in the aggregated transaction for that day. Orders for the same securities that are not included in the aggregated order may be executed after the aggregated order and therefore may receive less favorable execution. If an aggregated order is unable to be filled completely, the filled portion of the transaction will be allocated on a random basis, which could result in your order being unfilled.

Item 13: Review of Accounts

First Dallas Securities investment adviser representatives conduct reviews of advisory client accounts by selecting a portion of their accounts to review each day on a rotational basis. Accounts are reviewed for their current holdings, as well as potential buy and sell activity, considering the client's investment objectives, guidelines, and restrictions. Additional contributions made to an account by the client may also trigger a review of the account for potential investment activity.

In addition, First Dallas Securities advisory accounts are reviewed on a periodic basis for various compliance parameters by the Chief Compliance Officer or another First Dallas Securities Compliance Officer. These reviews include monitoring daily trading activity in addition to certain monitoring or reviews conducted quarterly or annually.

First Dallas Securities advisory clients receive account statements not less than quarterly from the custodian of the accounts.

Item 14: Client Referrals and Other Compensation

CLIENT REFERRALS:

We do not have any arrangement for client referrals.

OTHER COMPENSATION:

A portion of the commissions, transaction charges, 12b-1 or other mutual fund fees, and other customary brokerage charges paid to First Dallas Securities as a result of transactions in a client's advisory account may be paid by parties other than the client, such as the mutual fund in which the client is invested (or its distributor or other fund-related party) or by the clearing agent from money market interest, margin and credit interest, etc. In addition, as previously discussed, First Dallas Securities' investment advisers are also registered representatives of First Dallas Securities as a broker-dealer, and a portion of the amounts so paid to First Dallas Securities is in turn paid to the First Dallas Securities investment adviser employee managing the account.

These arrangements may pose a conflict of interest for First Dallas Securities and its Investment Adviser Representatives to the extent they create a financial incentive for them to recommend appropriate securities for a client's account which result in commissions or other compensation payable to them.

Item 15: Custody

Your funds and securities will be maintained with a "qualified custodian" as required under Rule 206(4)-2 under the Advisers Act. Custody of client accounts for both securities and funds will be maintained at Wells Fargo Clearing Services, LLC, member FINRA/SIPC, the clearing agent for First Dallas Securities. First Dallas Securities, as an introducing broker, may accept checks or securities on your behalf and deposit them into your account at Wells Fargo Clearing Services, LLC. Account statements are typically sent monthly, but at least quarterly from the custodian, and you should carefully review those statements, including comparisons to any reports we may send to you.

Item 16: Investment Discretion

First Dallas Securities, through the First Dallas Securities investment adviser representatives managing a client's advisory account, has discretionary authority to determine the securities to be bought or sold, the amounts of securities to be bought or sold, and the commission rates to be paid to the broker-dealer for client transactions. This authority is limited by the client's stated investment objectives, guidelines, and restrictions, and by First Dallas Securities' fiduciary obligation to act in the client's best interest. First Dallas Securities monitors advisory accounts periodically for consistency with these limitations.

Item 17: Voting Client Securities

Proxy Voting Policy:

First Dallas Securities does not vote proxies on securities held in advisory accounts, except in certain limited cases referenced below. Accordingly, First Dallas Securities generally does not have any obligation or authority to vote proxies solicited by or with respect to issuers of securities held in an advisory account. Each client retains the authority and responsibility for the voting of any proxies. Proxies for securities held in an advisory account will be sent to the client directly from the custodian or will be handled as otherwise agreed between the client and the custodian.

In limited cases when regulatory or other demands warrant (for example, in the case of certain ERISA or other clients), First Dallas Securities may undertake to vote proxies. In those cases, First Dallas Securities will vote in accordance with its Proxy Voting Policies and Procedures (see heading below). Upon request, clients may obtain information about how their securities were voted by contacting First Dallas Securities at its office: First Dallas Securities, 2905 Maple Avenue, Dallas, TX 75201, telephone: (800) 388-8512.

FIRST DALLAS SECURITIES' PROXY VOTING POLICIES AND PROCEDURES:

First Dallas Securities does not vote proxies on securities held in advisory accounts, except in certain limited cases referenced below. Accordingly, First Dallas Securities generally does not have any obligation or authority to vote proxies solicited by or with respect to issuers of securities held in an advisory account. Each client retains the authority and responsibility for the voting of any proxies. Proxies for securities held in an advisory account will be sent to the client directly from the custodian or will be handled as otherwise agreed between the client and the custodian.

First Dallas Securities considers each proxy proposal individually and makes decisions on a case-by-case basis. First Dallas Securities' proxy voting guidelines provide no specific inclination as to how proxies will be voted except that votes will be based upon what First Dallas Securities deems to be in the best interest of the client. The trends in industries/sectors of investments, as well as market conditions, economic environment, and strength of management in the companies will also influence how decisions are made.

First Dallas Securities may abstain from voting proxies if:

- It determines that the value of the client's economic interest or value of the portfolio holding is indeterminable or insignificant.
- In circumstances where, after doing a cost-benefit analysis, the cost of voting a client's proxy would exceed any anticipated benefits to the client.

First Dallas Securities also will generally not vote proxies:

- For securities which are no longer held by the client's account.
- For securities where the economic value of the securities in the client's account is less than $500.

Where a proxy raises a material conflict of interest between First Dallas Securities' interest and the client's interest, First Dallas Securities will disclose the conflict to the client and obtain the client's consent to vote or direct the matter to an independent third party, selected by the client, for a vote determination. If the consent or the independent third party's determination is not received in a timely manner, First Dallas Securities will abstain from voting the proxy.

Item 18: Financial Information

We do not have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to you, and we have not been the subject of a bankruptcy proceeding.

Item 19: Requirements for State Registered Advisers

Not Applicable

Appendix A: Commission Schedules

Equity Commission Schedule

Principal Trade Value	Fee Rate	+ Flat Fee
$0 - $999	0.00%	$50
$1,000 - $2,499	1.25%	$50
$2,500 - $4,999	1.00%	$55
$5,000 - $9,999	0.95%	$65
$10,000 - $24,999	0.90%	$75
$25,000 - $49,999	0.80%	$150
$50,000 - $99,999	0.70%	$200
$100,000 - $249,999	0.60%	$250
$250,000+	0.40%	$300

Options Commission Schedule

Principal Trade Value	% of Principal	Per Contract Charge	Flat Fee
$0 - $500	0.00%	$0.00	$50.00
$501 - $1,500	1.25%	$7.50	$25.00
$1,501 - $5,000	1.00%	$7.50	$30.00
$5,001 - $10,000	0.90%	$7.50	$45.00
$10,001 - $20,000	0.80%	$7.50	$55.00
$20,001 - $50,000	0.70%	$7.50	$70.00
$50,001+	0.60%	$7.50	$125.00

Fixed Income Commission Schedule

Quantity	Flat Fee Component	+ Security Type Component	+ Price Component
1-5	$10 per bond	000.001% for Treasuries; 0.004% for all other fixed income	X 0.5 if price is less than $50
6-10	$7.50 per bond	.001% for Treasuries; 0.004% for all other fixed	X 0.5 if price is less than $50
11+	$5.00 per bond	.001% for Treasuries; 0.004% for all other fixed	X 0.5 if price is less than $50

Although First Dallas Securities does not generally waver from this commission schedule, First Dallas Securities reserves the right to charge a higher or lower commission on a trade for any client that may be different from the guidelines set forth in this commission schedule and which may be lower or higher than commission charged to another client with a similar trade.

Appendix B: Schedule of Account and Service Fees

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Schedule of Account and Service Fees

First Dallas Securities and Wells Fargo Clearing Corp

First Dallas Securities offers a wide variety of accounts and services, each with a broad range of features and benefits. Accounts custodied with Wells Fargo Clearing Corporation have an associated fee, tied to the account or to a certain service. The most common fees are listed below; some of these fees may be waived under certain conditions. Fees are subject to change. Please speak with your financial advisor if you have any questions regarding our account or service-related fees.

Fees for accounts custodied at Wells Fargo Clearing Corporation:
Please refer to your account agreement for specific information about your account and service fees.

Account Maintenance Fees	Fee Amount	Frequency
Standard Brokerage Account	$65	Annual
Advantage Cash Management Account	$125	Annual
UTMA/UGMA	$45	Annual
Individual Retirement Accounts	$55	Annual
Investment Related Fees		
Mutual Fund Transaction Fee	$10	Transactional
Equity Ticket Charge (advisory account)	$10	Transactional
Transaction Fee per trade	$3.95	Transactional
Transfer and Termination Fees		
ACAT Out (full)	$95	Transactional
Close Fee – Taxable Account	Free	Transactional
Close Fee – Retirement Account	$95	Transactional
Cash Management Fees		
Fed Wire Transfer	$25	Transactional
ACH Transfer	Free	Transactional
Overnight Check Delivery	$15	Transactional
Insufficient Funds	$20	Transactional
Stop Payment	$25	Transactional
Physical Certificate Fees		
Physical Certificate Issuance	$500 (minimum)	Transactional
Safekeeping Fee	$150 per position	Annual
Replace Lost Certificate	$100 (minimum)	Transactional
Rejection of Submitted Physical Certificate	$50	Transactional
Advantage Account Fees	Fee Amount	Frequency
Initial Check Order (40 checks)	Free	Once
Subsequent Check Orders (100 checks)	$9	Transactional