

Item 1: Cover Page

ADV Part 2A
Brochure



Smartleaf Asset Management, LLC
210 Broadway, 4th Floor
Cambridge, MA 02139
857-366-9340

www.smartleafam.com

January 2015

This brochure provides information about the qualifications and business practices of Smartleaf Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us 857-366-9340 or via email at info@smartleafam.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Smartleaf Asset Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Smartleaf Asset Management, LLC is 172273.

Smartleaf Asset Management, LLC is a Registered Investment Adviser with the Commonwealth of Massachusetts. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

This firm brochure provides a summary of Smartleaf Asset Management, LLC's services and fees, professional staff, certain business practices and policies, as well as actual or potential conflicts of interest, among other things.

This is an initial filing. In the future, this item will be used to provide clients with a summary of material changes, as defined by the Massachusetts Securities Division. The material changes may be revision(s) of the information detailed below and may also include additional information we deem to be relevant for our current and prospective clients.

Annual Update

Advisors are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31st. Smartleaf Asset Management, LLC will provide clients within 120 days of our FYE with either our revised brochure that will include a summary of any changes in this item, or will provide clients with a summary of the revised information with an offer to deliver the full revised brochure.

Material Changes

Should a material change in our operations occur, depending on its nature Smartleaf Asset Management, LLC will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates, and generally any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

If you would like to receive a complete copy of our brochure, including the supplement, please contact us at 857-366-9340 or by email at info@smartleafam.com.

Item 3: Table of Contents

Item 2: Summary of Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	7
Item 6: Performance Based Fees and Side-by-Side Management	8
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.....	12
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading	13
Item 12: Brokerage Practices	16
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	19
Miscellaneous	20

Item 4: Advisory Business

Firm Description and History

Smartleaf Asset Management, LLC (“Smartleaf Asset Management” or “SAM”) is a fee-based, registered investment adviser with its principal place of business located in Cambridge, Massachusetts. The firm was established in June 2014 as a Delaware limited liability company whose sole owner is Smartleaf, Inc. The managing members include Gerard Michael, President, Diana Neuss, Chief Compliance Officer, Zhenyuan Zhao, Portfolio Manager and Bernardo Menezes, General Manager. Gerard Michael and Zhenyuan Zhao, CFA, are responsible for all investment decisions on behalf of clients. Management has over 40 years combined experience in the financial services industry. The firm currently has four investment professionals and several service providers for administrative and technical support. For more information about Gerard Michael, Diana Neuss, Zhenyuan Zhao and Bernardo Menezes please consult the ADV Brochure Supplement.

Business Summary

Smartleaf Asset Management manages Personal Index Portfolios, which track the performance of a selected equity index (e.g., the Standard & Poor’s 500® Index or the Russell Global 2000™ Index) while holding a smaller number of securities than the index. Investors may have their Personal Index Portfolios customized and tax managed. Customization options include specific security restrictions and social criteria screens.

Smartleaf Asset Management makes the Personal Index Portfolios available solely through interactive website portals, access to the portals is provided through two channels:

First, Smartleaf Asset Management offers its services to third party investment advisers (“TPAs”) who manage discretionary accounts. Sam enters into a sub-advisory agreement with the TPA whereby the TPA appoints SAM to invest all or a portion of its clients’ accounts. The TPAs, exercising their investment discretion over their clients’ portfolios, authorize SAM to invest a portion of the portfolios in the Personal Index Portfolios selected by the TPA, with such restrictions and tax considerations as the TPA shall communicate by completing the appropriate fields in the web portal. SAM’s interaction with the TPA with regard to the TPA’s clients’ investments is conducted solely through the website. The TPA (and not the TPA’s clients) are provided access to the web portal, and SAM has no relationship with TPA’s clients.

Second, Smartleaf Asset Management provides Personal Index Portfolio management to individual investors (“SAM clients”) through a web-based portal. In the first phase, these portfolios are offered by invitation only to friends or family members of Smartleaf, Inc. or SAM personnel. In a contemplated second phase, SAM will offer them to a wider audience of individual investors.

SAM’s computer software-based applications provided by Smartleaf, Inc. determine the transactions SAM recommends and conducts for SAM Clients and the TPAs (together, the “Clients”) based on personal information the Clients supply through SAM’s internet portal. Clients and TPAs are advised that investments in one or more Personal Index Portfolios are not intended to be a complete investment program.

In addition to the two channels described above, Smartleaf Asset Management offers certain institutional investment managers model data sets consisting of the holdings of particular Personal Index Portfolios recommended by SAM as a means for tracking the performance of an index with fewer different securities than those comprising the index itself.. The fees for

model data sets sold to the institutional investment managers whose sole advisory relationship with SAM is the purchase of the model data sets (“Advice-Only Clients”) may be based on the institutional investment manager's AUM following the model data sets and will be negotiated with the applicable institutions on a case-by-case basis.

Smartleaf Asset Management derives its revenues from investment advisory fees only. Fees are calculated as a percentage of the portfolio's AUM and, except for the sale of model data sets described in the preceding paragraph, are typically directly debited from the client custodial accounts as allowed by the client/custodian agreement. The firm does not receive any commissions or other compensation in connection with its services. No referral fees are paid or accepted. No cash payments or other benefits (e.g., “soft dollars”) are received from custodians or broker-dealers based on client securities transactions. SAM's parent, Smartleaf, Inc., or any of its technology affiliates may receive subscription fees from SAM or from TPAs that use technology, data and/or non-investment advisory data processing services provided by such parent or affiliates.

For more information regarding our investment philosophies and the risks of our strategies and/or specific investments recommended, please refer to the next section – Types of Advisory Services.

All assets under the direct management of SAM are held by an independent qualified custodian – initially, Interactive Brokers, LLC (“Interactive Brokers” or “IB”) – and are held in the client's name. SAM does not act as a custodian of client assets.

SAM actively seeks to avoid, or at least minimize, conflicts of interest which may exist between the firm and its clients. Conflicts of interest will be disclosed to clients and managed, to the extent feasible in the context of SAM's business model and operational capabilities, in the best interest of the client. In those instances when unavoidable conflicts of interest arise, we have adopted policies that seek to incorporate and address the client's best interests.

Types of Advisory Services

Personal Index Portfolios

SAM manages Personal Index Portfolios, investment advisory accounts which endeavor to track the performance of one or more of the standard equity indices, while holding only a limited number of securities. Indexes tracked by Personal Index Portfolios that are currently available to Clients include:

- Standard & Poor's 500™ Index

Other Indexes will be added at a future date.

SAM licenses the data and technology to manage Personal Index Portfolios from its parent company, Smartleaf, Inc.

Investors will have the option to have their Personal Index Portfolios customized and tax managed. Customization options include specific security restrictions and social criteria screens.

Personal Index Portfolios are passive investments in that they are managed in an effort to match, not exceed, the performance of a named benchmark. However, Personal Index

Portfolios differ in key ways from other passive investments, such as index mutual funds and exchange traded-funds:

- Personal Index Portfolios are separately managed accounts, and the client directly owns the underlying securities.
- Each Personal Index Portfolio can be customized and individually tax managed. Customization may include specific security restrictions. Tax management can include tax loss harvesting, gains deferral, and transition services. Smartleaf will also incorporate legacy holdings into the index holdings as appropriate.
- Due to the separate account structure of Personal Index Portfolios, net realized losses, if any, can be passed to the client.
- Personal Index Portfolios hold only a limited number of securities, less than the number in the benchmark.
- Due to the limited number of holdings, portfolio customization and individualized tax management, Personal Index Portfolios will have greater tracking error relative to the benchmark than is typical of index funds and ETFs.

The potential advantages in investing in a Personal Index Portfolio relative to investing in an index ETF or index mutual funds include: customization options, the ability to tax manage at an individual account level, transition services and the ability to incorporate legacy holdings into the index holdings.

The portfolio's performance will be reduced by expenses not reflected in the index (e.g., advisory and sub-advisory fees and transactional and custody expenses).

Personal Index Portfolios carry the additional risk that they may not succeed in precisely tracking the performance of the index, and an investment in one or more of the Personal Index Portfolios will not constitute a complete or fully diversified investment program.

Investment Management for Direct Account Clients

SAM makes Personal Index Portfolios available to Clients that are individual investors through an interactive web portal. Currently, such direct account services are available on a limited basis by invitation only. Each direct account Client enters into a discretionary investment management agreement with Smartleaf Asset Management which, among other things, authorizes SAM to open an account in the investor's name at a qualified custodian. Presently this custodian is Interactive Brokers, LLC. Such Clients may impose certain restrictions on the account investments through the web interface. They may further, through the interactive web interface, enter tax and expense management preferences. Smartleaf fees will be deducted directly from the Client's account.

Direct account Clients should regularly reassess, with the assistance of a qualified investment counselor if needed, the investments in Personal Index Portfolios in light of any changes in their personal financial circumstances and investment goals.

Investment Management for Third Party Advisors

Smartleaf Asset Management makes Personal Index Portfolios available to TPAs. TPAs that have determined that a Personal Index Portfolio would be an appropriate investment for a portion of a client's portfolio will enter into a sub-advisory agreement with SAM. Pursuant this sub-advisory agreement, the TPA will enter the features of each account, e.g., the benchmark indexes to be tracked, any investment restrictions, tax management features

and the transition of any legacy holdings. Smartleaf fees will be billed to the TPA or, pursuant to the TPA's authorization on behalf of the TPA's client, deducted directly from the account of the applicable client of the TPA.

Wrap Fee Programs

Smartleaf Asset Management, LLC does not manage assets under wrap fee programs or manage assets for any wrap fee accounts.

Types of Investments

Smartleaf Asset Management, LLC's investment programs are limited to separately managed stock portfolios designed to track a benchmark portfolio using a reduced number of holdings. As directed by the TPA or a direct account Client, whichever applies, the portfolios will be tax managed and customized at the individual account level. Portfolio customization options include transition services, socially responsible investing (SRI) constraints, and individual security constraints. Customization options are communicated via an online portal or otherwise as specified in the sub-advisory agreement between SAM and the TPA or the advisory agreement between SAM and a direct account Client. SAM will manage the portfolios using proprietary software licensed from its parent company, Smartleaf, Inc.

Client Assets (AUM)

Because this is an initial filing for this firm, there are no assets under management at this time.

Item 5: Fees and Compensation

Except as described below, Smartleaf Asset Management, LLC bases its fees on a percentage of assets under management at the end of a billing period. All fees are negotiable and may be billed quarterly or monthly in arrears based on the average daily or end of period account balance. The fee schedule will be determined in accordance with the billing schedule of each TPA or direct client contract.

When Smartleaf Asset Management, LLC advises a TPA, the specific manner in which fees are charged is described in SAM's sub-advisory agreement with the TPA. As authorized by the TPA, SAM will directly debit fees from the TPA's clients' accounts. SAM may allow certain TPAs to opt to pay fees directly for some or all of their client accounts. In accordance with advisory agreements between TPAs and their clients, TPA's clients will receive, at least quarterly, statements from the custodian which will reflect all of the activity in the account, including the deduction of SAM's sub-advisory fee. Fees for accounts initiated during a fee period will be prorated, as applicable.

When Smartleaf Asset Management, LLC is acting as an advisor to a direct account Client, the specific manner in which fees are charged is described in the written advisory agreement with the client. Generally, clients authorize SAM to directly debit fees from the client account. SAM may allow certain clients to pay fees directly. Clients will receive at least quarterly statements from the custodian which will reflect all of the activity in the account, including the deduction of the Advisor's fee from Smartleaf Asset Management, LLC. Fees for accounts initiated during a fee period will be prorated, as applicable.

Fee Structure

Fees for Smartleaf Asset Management, LLC's services will range from .05% to .35% of the assets under SAM's management with a minimum fee of \$60 per year. Such fees are negotiable.

In general, SAM requires a \$25,000 minimum to provide advisory or sub-advisory management services. Smartleaf Asset Management, LLC retains the discretion to waive or reduce the minimum account deposit and annual fee.

Fees for Model Portfolio Data

For providing Personal Index Portfolio model portfolio data to Advice-Only Clients, SAM will negotiate fees with institutions on a case-by-case basis. These fees will be based on a percentage of AUM managed by the institution following the model portfolio data.

Other Costs Involved

In addition to the above fees, client accounts will pay any fees and expenses charged by third parties in connection with portfolio transactions and maintenance of a custodial account. Such fees may include, as applicable, TPA fees, brokerage commission, transaction fees, custodial fees, transfer taxes, wire and electronic fund fees, and other fees and taxes related to transactions and investments in the account.

Trading.

Client accounts will bear trading costs which will reduce portfolio returns.

Fees in General

Under no circumstances will Smartleaf Asset Management, LLC collect fees in excess of \$1,200 more than six months in advance of services rendered.

Account Termination

In the event a direct account Client or a TPA terminates an account during a fee period, the fee will be prorated accordingly. If termination occurs within five (5) business days of entering into an agreement for such services the client shall be entitled to a full refund.

After the initial five-day period, the direct account Client or TPA may terminate the agreement by giving same day notice as provided in the investment advisory or sub advisory agreement. Upon termination, any earned unpaid fees will be promptly due and payable.

Compensation for Sales of Investment Products

The firm's compensation is derived solely from fees paid directly by direct account Clients or TPAs. The firm does not receive commissions, referral fees, "soft-dollar research" related to its investment advisory business.

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

Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets of a Client. Smartleaf Asset Management, LLC does not charge performance-based fees. SAM may manage its own proprietary assets or assets of its parent, affiliates, principals or supervised persons using the same algorithm used to manage assets for SAM's other Clients.

Item 7: Types of Clients

Smartleaf Asset Management, LLC primarily acts as a sub-adviser to TPAs. SAM's Clients that are TPAs, in turn, provide investment management services to individuals, including high net worth individuals, institutions and to certain types of trusts.

Direct account services through a web-based portal to Clients who are individual investors will be offered as part of a pilot program. In the first phase of the pilot program, Personal Index Portfolios are offered by invitation only to a limited number of investors. In a second phase, SAM will offer Personal Index Portfolios to a wider audience of individual investors.

Account Statements

Clients receive, at least quarterly, account statements from the custodian of their account, reflecting all activity in the account including the purchase and sale of securities and the deduction of fees, including advisory and, if applicable, sub-advisory fees.

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

Summary

Smartleaf Asset Management seeks to replicate as closely as possible the performance of a full index with a limited number of holdings while enabling account level tax management and customizations that include:

- Tax-sensitive transition
- Ongoing tax management at the tax-lot level
- Reasonable investment restrictions and limitations directed by the client (e.g., social screens, security constraints)

Smartleaf Asset Management licenses software and data from its parent company, Smartleaf, Inc., that enable SAM to manage Personal Index Portfolios that endeavor to track, with a reduced set of holdings, the performance of certain equity indices, such as the S&P 500® Index.

Smartleaf Asset Management uses Smartleaf, Inc.'s software to analyze portfolios daily, and opportunistically implements trades for each account to:

- Minimize drift relative to the selected index
- Tax loss harvest
- Implement and maintain client customizations

The potential advantages in investing in an Personal Index Portfolio relative to investing in an index ETF or an index mutual fund include: customization options, the ability to tax manage at an individual account level (which includes the ability to generate net realized losses that can potentially be used by investors to offset realized capital gains from elsewhere in their portfolio), transition services and the ability to incorporate legacy holdings into the index holdings.

All investments involve different degrees of risk. Clients should be aware of their risk tolerance and financial situations at all times. Smartleaf cannot guarantee the successful performance of any investment. Any investment in equity securities may result in losses arising from market conditions up to and including the amount invested.

The portfolio's performance will be reduced by expenses not reflected in the index, including Smartleaf Asset Management's fees and transactional and custody expenses.

Smartleaf Asset Management may not succeed in precisely tracking the performance of the index, and an investment in one or more of the Personal Index Portfolios will not constitute a complete or fully diversified investment program. Customization may negatively impact the returns and/or ability to track a benchmark of the Personal Index Portfolios.

Because the account decisions will be customized based on the model being utilized, tax management considerations, and legacy holdings it is possible that the same security may be purchased for some accounts and sold for other accounts on the same day.

Investment Strategies

Portfolio holdings are determined through Smartleaf Asset Management, LLC's investment process described above, and may be customized based on each Client's unique requirements. SAM's portfolios do not borrow, trade on margin or otherwise employ leverage. Smartleaf Asset Management does not engage in short selling.

Accounts will remain fully invested in the securities selected by SAM regardless of market conditions, e. g. the state of the general economy; local, regional, or global political, social or economic instability; currency and interest rate fluctuations; issuer or sector specific events, etc. Market conditions may affect certain types of stocks (such as large cap or growth stocks) to a greater extent than other types of stocks. If the stock market or relevant benchmark declines, the value of the portfolio is likely to decline as well, and there is no assurance that the values will return to prior levels.

Smartleaf Asset Management does not engage in short selling or other hedging strategies. SAM does not buy or sell options or other equity derivatives.

Methods of Analysis

Smartleaf Asset Management licenses proprietary investment data processing software from its parent, Smartleaf, Inc. This software is currently used by large wealth management institutions in managing approximately \$50 billion in assets.

Smartleaf, Inc.'s rebalancing software uses proprietary optimization analytics to keep portfolios close to their "target" while adhering to investor constraints and minimizing taxes and expenses.

Each portfolio is assigned a target by the relevant Client. A target represents the portfolio that would be purchased if the account started with all cash and no restrictions. Smartleaf uses a multi-factor risk model to generate an estimate of tracking error between the investor's portfolio and its target. Smartleaf's optimization analytics seek to minimize tracking error, while obeying all investor constraints and simultaneously minimizing taxes and transaction costs. Smartleaf's tax analytics seek both to avoid realized gains and to generate realized losses. Factors considered when deciding whether to hold a given tax lot with unrealized gains include: whether and by how much the underlying security is overweighted, the investor's tax rates, if the holding period is short term (and if short term, the time until long term status), the availability of correlated securities that can be underweighted to offset the overweight of holding the lot, the ranking of the security, etc.

Market, Security and Regulatory Risks

Clients should be aware that there are risks associated with all types of investments, including investment in equity securities. Investments are not insured or guaranteed. Investing in securities involves risk of loss up to the amount invested and Clients should assess their willingness to assume the risk of such losses.

Any investment in SAM portfolios involves significant risk, including a loss of a client's initial investment. All investment programs have certain risks, as described below. All investments involve different degrees of risk. Clients should be aware of their risk tolerance level and financial situations at all times. Smartleaf cannot guarantee the successful performance of an investment, including performance in tracking a benchmark, and is expressly prohibited from guaranteeing accounts against losses arising from market conditions.

The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by SAM. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability to realize profits. The performance of the portfolios substantially depends upon SAM successfully tracking the performance of the benchmark indices of the portfolios. Market volatility, issuer-specific developments, unusual market conditions and other factors could create significant tracking error in a portfolio.

Material Non-Public Information.

If certain principals or employees of SAM and/or its affiliates acquire confidential or material nonpublic information or are restricted from initiating transactions in certain securities, SAM may not be free to act upon any such information. Due to these restrictions, SAM may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. SAM does not anticipate acquiring material nonpublic information in the normal course of its investment advisory activities.

Non-U.S. Investments.

Smartleaf Asset Management does not invest in direct foreign ordinary shares. Any investments in Non-U.S. securities would only be through the trading of American Depositary Receipts (ADRs), which are traded on the U.S. stock exchanges. The Personal Index Portfolios and related data sets to be initially offered by SAM are not expected to include ADRs. Investing in the equity securities of companies outside of the United States involves certain considerations not usually associated with investing in financial instruments of U.S. companies, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets, and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries, which may be less protective of investors than corresponding U.S. laws and regulations; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the client's investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as robust as U.S. standards and,

consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S.

Sector Risk

Smartleaf Asset Management may offer Personal Index Portfolios that track concentrated non-diversified indexes, e.g., sector indexes. These portfolios will bear the undiversified risk of their underlying index. A strategy that concentrates its investments in a particular sector of the market (e.g., financial services or technology) may be affected by events that adversely affect that sector, and the value of the portfolio using such a strategy may fluctuate more than that of a less concentrated portfolio.

Strategy Risk.

Personal Index Portfolios will be less diversified than the benchmark indices they seek to track. Therefore Personal Index Portfolios may be more vulnerable to issuer-specific adverse events (such as poor management, product failures, brand harm, fraud or trading suspensions) than the benchmark indices they seek to track. While client accounts are reviewed daily to adjust for tracking error, there is no guarantee that SAM's strategy will track the performance of the benchmark index as closely as SAM has intended.

Regulatory Risks

Strategy Restrictions.

Certain clients (e.g. ERISA Clients) may be restricted from directly utilizing investment strategies of the type in which SAM may engage, or may restrict SAM from utilizing them. Clients who may be so restricted should consult their own advisors, counsel, and accountants to determine what restrictions may apply or may be appropriate.

Trading Limitations.

For all securities, instruments and/or assets listed on an exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the account to loss. Also, such a suspension could render it impossible for SAM to liquidate positions and thereby expose the Account to potential losses.

Item 9: Disciplinary Information

Legal and Disciplinary

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material in the evaluation of Smartleaf Asset Management or the integrity of the firm's management. Neither SAM nor its members have been disciplined by any governing authority, including any regulatory agency, CFP Board of Standards, or any industry association of which they are licensed and/or are members.

Item 10: Other Financial Industry Activities and Affiliations

Activities

Smartleaf Asset Management and our associated persons does not have any outside financial industry activities or outside financial industry affiliations.

SAM endeavors at all times to put the interest of Clients first as part of its fiduciary duty as a registered investment adviser; SAM takes the following steps to address these conflicts in an effort to put Client's interest first:

- SAM endeavors to disclose to clients the existence of all material conflicts of interest.
- SAM takes steps to ensure that each client's portfolio properly reflects the client's specific instructions, if any.
- SAM does not receive compensation from any service providers associated with Clients' accounts except as otherwise disclosed.
- Management monitors tracking error relative to Clients' objectives

Neither Smartleaf Asset Management nor its members are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

Neither Smartleaf Asset Management nor its members are registered or have an application pending to register as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Smartleaf Asset Management does not have any material business relationships with other investment advisors that it recommends or selects for Clients.

In managing client accounts, Smartleaf Asset Management licenses data and software developed and owned by its parent company, Smartleaf, Inc. SAM and Smartleaf, Inc. share some employees and resources. In this connection SAM pays some portion of its revenues from its advisory activities to Smartleaf, Inc. SAM does not invest client assets in Smartleaf, Inc.

There are no referral fee arrangements.

Item 11: Code of Ethics

Smartleaf Asset Management strives to observe the highest industry standards of conduct based on its obligation as a fiduciary to its Clients. In an effort to meet this obligation, SAM has adopted a written Code of Ethics (the "Code") that is applicable to all employees. Each employee will be provided a copy, and is required to acknowledge, in writing, that they have received, read, understand and will abide by, the Code, and SAM's Compliance Manual, upon commencement of employment and upon any material change to the Code.

The Code requires that employees act in the interests of SAM's Clients and comply with applicable laws and regulations. Employees are expected to avoid any action that is, or could even appear to be, legally or ethically improper. The principles outlined in the Code apply to all conduct, whether or not the conduct is also covered by more specific standards or procedures set forth in the Code, Compliance Manual, or elsewhere. Employees are required to bring any violations, actual or suspected, of the Code immediately to the attention of Smartleaf's Chief Compliance Officer ("CCO"). Failure to comply with the Code may result in disciplinary action or other sanctions including termination of employment.

The Code also places certain restrictions on the personal trading activities of employees and their immediate family members. Employees may generally engage in personal trading only by obtaining prior approval and subject to pre-clearance by the Chief Compliance Officer. However, employees may purchase and sell mutual funds, exchange traded funds ("ETFs") – including mutual funds and ETFs that track or are otherwise related to the same benchmarks as Personal Index Portfolios – and any other securities not specifically prohibited by the Code without pre-clearance. Employees are required to disclose their

personal securities holdings annually and personal securities transactions quarterly to the Chief Compliance Officer. Employees may also participate in limited offerings such as hedge funds, private equity funds, or other types of private offerings, subject to pre-clearance procedures.

Smartleaf Asset Management, its employees or affiliates (collectively “Related Persons”), will generally have an investment in the securities managed by us. As a result, Related Persons have an interest in an investment that may also be recommended to Clients.

A copy of the Code of Ethics shall be provided to any client or prospective client upon request. Material components of the Code, in summary form, include:

Standard of Business Conduct. It is the responsibility of all employees to ensure that Smartleaf Asset Management conducts its business with the highest level of ethical standards and in keeping with its fiduciary duties. SAM employees have a duty to place the interest of the Clients first, and to refrain from having outside interests that conflict with the interests of its client(s).

Prohibited Conduct. Smartleaf Asset Management employees must avoid any conduct that is inconsistent or might appear inconsistent with their duty of complete loyalty to Clients.

Privacy of client Information. All information relating to clients' portfolios and activities, and proposed recommendations is strictly confidential. Consideration of a particular security purchase or sale may not be disclosed, except to authorized persons.

Personal Securities Transactions. All employees shall comply with SAM's personal account trading policy summarized below.

Conflicts of Interest. Employees may not use any confidential information or otherwise take inappropriate advantage of their positions for the purpose of furthering any private interest or as a means of making any personal gain. Employees and their immediate families may not accept any benefit from clients or any person who does business with Smartleaf Asset Management, other than business courtesies and non-cash gifts of nominal value.

Service as a Director. No employee may serve as a director of a publicly-held company without prior approval by the Chief Compliance Officer based upon a determination that service as a director would not be adverse to the interest of clients.

Reporting of Violations. Employees are required to promptly report all actual or potential conflicts of interest, violations of any government or regulatory law, rule or regulation, or violations of the Advisor's policies and procedures.

Training. Formal ethics training for all employees will occur on a periodic basis.

Review and Enforcement. The CCO is responsible for ensuring adequate supervision over the activities of all persons who act on the Advisor's behalf in order to prevent and detect violations of the Code by such persons.

Participation or Interest in Client Transactions and Personal Securities Trading. All employees shall comply with the procedures governing personal securities transactions set forth in the Code. Such procedures are designed, among other matters, to assist the CCO in avoiding potential conflicts of interests and detecting and preventing abusive trading practices such as fraud or market manipulation. Strict compliance with the Adviser's personal trading policy is essential to the Adviser and its reputation. Any violation of the Adviser's personal trading policy can be grounds for immediate dismissal by the Adviser of any employee. Every employee of the Adviser is expected to be familiar with the personal trading policy and the procedures contained therein. These matters can be reviewed with the CCO at any time.

The CCO shall maintain current and accurate records of all personal securities transactions in which employees have a direct or indirect beneficial interest. The following restrictions shall apply to securities transaction(s) by employees of the Adviser and their related persons:

Restricted Securities. If it deems necessary in its sole discretion, Smartleaf Asset Management shall maintain a restricted list of securities for which no trading by employees is allowed, for example because SAM may have material non-public information.

Initial Report. An employee shall, no later than 10 days after the employee begins his or her relationship with SAM, provide SAM with all brokerage account statements, which are as of a date that is within 45 days of the date of the submission, and otherwise comply with the personal securities transaction reporting requirements under applicable Securities and Exchange Commission rule, and complete and submit a list of brokerage accounts.

Quarterly Reports. On a quarterly basis all employees shall submit to the CCO a personal securities transaction report.

Black-out Periods. The CCO shall have the authority to determine when a temporary restriction on trading a particular security or securities is warranted because of activity in a Client account or accounts.

Pre-Clearance. No employee shall invest in a private placement or initial public offering without the CCO's prior express written approval.

Annual Report. Following the completion of each calendar year, employees must resubmit a list of personal brokerage accounts.

Record-Keeping Requirements. The CCO shall establish a form to record personal securities transactions.

Item 12: Brokerage Practices

Generally, Smartleaf Asset Management is authorized to determine and execute portfolio transactions within the client's specified investment objectives. In selecting broker-dealers to execute client transactions, SAM has a fiduciary duty to seek best overall execution.

SAM's trading activity includes selectively selling legacy holdings of portfolios of new clients, purchasing the securities in the investment strategy, rebalancing portfolios and effecting changes that are necessitated to accommodate the client's specific instructions.

Due to the nature of its business model and the technological capabilities of its computer software-based algorithms to interface with execution and custody technologies, SAM's ability to select among executing brokers is extremely limited.

When acting as a sub-adviser, Smartleaf Asset Management assumes a limited power of attorney to trade the accounts of the clients of its TPAs using the brokerage and custody services of the client's custodian. SAM does not select or recommend a broker-dealer for the clients of these TPAs. SAM may not be able to accommodate every potential TPA's choice of custodian or broker-dealer.

For direct account Clients, Smartleaf Asset Management trades through Interactive Brokers, which Smartleaf Asset Management has chosen due to their advanced electronic trading technology, ability to achieve best execution, and because Interactive brokers charges commissions substantially below industry average.

Smartleaf Asset Management, LLC reviews the execution of trades at each custodian. The review is documented in accordance with SAM's compliance manual. Trading fees charged by the custodians are also reviewed. Smartleaf does not receive any portion of the trading fees.

Broker Selection

SAM currently requires direct account Clients to establish brokerage accounts with Interactive Brokers (IB). SAM has chosen IB because it offers industry-leading low transaction prices, best execution, and excellent integration tools and interfaces that allows SAM to trade client's accounts at the lot level for maximum tax efficiency. IB may also offer other reporting, presentations, market data and other services for free to all investment advisers as part of its trading platform. There is no direct or indirect cost to clients associated with these free services.

When acting as a sub-adviser, Smartleaf Asset Management, LLC executes all transactions through the TPA's custodian or the executing broker selected by the TPA's custodian, provided that SAM has an established relationship with that custodian or agrees to establish one.

Generally, trades are executed through a direct interface through the TPA's custodian or the broker-dealer affiliated with or otherwise selected by the client's custodian. Initially, Smartleaf Asset Management will be trading through Interactive Brokers, LLC.

The brokerage commissions and/or transaction fees charged by Interactive Brokers or any other broker-dealer, are exclusive of, and in addition to, SAM's fee. The commissions and/or transaction fees charged by IB may be higher or lower than those charged by other

broker-dealers. Any rebates or other revenue of any kind resulting from account transactions are the property of Clients.

Smartleaf Asset Management has no economic relationship with a broker-dealer that creates a material conflict of interest.

Relationships with Brokers

Smartleaf Asset Management does not enter into any “soft dollar” arrangements and does not pay higher commissions in order to receive goods or services from brokers. Interactive Brokers (“IB”) may provide SAM with access to trading and operations services that are typically not available to retail investors, but are generally made available to independent investment advisers for the benefit of their Clients, at no charge to them, and with no regard to number of transactions or amount of orders placed through IB’s system. Such services, which assist SAM in providing services to its Clients may include software and other technology that provide access to client account data, facilitation and aggregation of trade execution, pricing information and other market data. IB facilitates payment of SAM’s fees from its clients’ accounts, and assists with reporting.

SAM may also receive at no cost unsolicited generic research reports as well as continuing education and practice management materials.

Allocation and Aggregation of Trades

In general SAM trades are determined by algorithms that monitor for potential opportunities to improve the portfolio’s tracking error or tax-loss harvest (for taxable portfolios), while obeying client mandates and preferences. Trades may also occur because of inflows or outflows. Concurrent trades for the same security in multiple accounts are generally aggregated (or “blocked”) to achieve a more favorable result. Such trades are allocated proportionately among the affected accounts at the average trading price. Some account positions may not be aggregated due to tax management or other considerations. SAM allocates any partial executions of aggregated trades among impacted accounts on a proportional or “pro rata” basis.

Any rebates or other revenue of any kind resulting from account transactions are the property of Clients.

Directed Brokerage

When acting as a sub-adviser, Smartleaf Asset Management, LLC executes all transactions through the TPA’s custodian or the broker-dealer affiliated with or otherwise selected by the TPA’s custodian, provided that SAM has an established relationship with that broker-dealer or agrees to establish one. For direct account Clients, SAM recommends Interactive Brokers.

The Client may request in writing that SAM use a particular broker-dealer to execute some or all transactions for the client. In that case, and only if SAM agrees to use that broker-dealer, the Client will negotiate terms and arrangements for the account with that broker-dealer, and SAM will not seek better execution services or prices from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by SAM (as described below).

As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Soft Dollars

Smartleaf Asset Management, LLC does not receive soft dollar benefits from any custodian or broker.

Item 13: Review of Accounts

Smartleaf Asset Management licenses overlay portfolio management software from its parent, Smartleaf, Inc. SAM uses this software to automatically review client accounts on a daily basis to identify rebalancing opportunities that would reduce the tracking error of the account relative to the Personal Index Portfolio, tax loss harvest or assure that the portfolio is in compliance with client-directed restrictions and limitations.

Because Smartleaf Asset Management is not providing investment advice with respect to entire investment portfolios of direct account Clients or clients of TPAs, Clients are encouraged to review their needs, goals and objectives, or, if applicable, the needs, goals and objectives of clients of TPAs and to consider whether their investment in the Personal Index Portfolios remains consistent with the client's needs.

SAM reviews accounts on a daily basis to compare the account's tracking error to the appropriate Personal Index Portfolio and monitors that the account is adhering to the customization preferences selected by the Client when opening the account or any subsequent changes in those preferences. Client accounts are automatically monitored for exceptional circumstances (e.g. high levels of cash or tracking error), and senior management meets monthly to review client accounts flagged as exceptions. A more frequent review may be triggered by a change in a client's investment objectives or other unusual circumstances. All portfolios are reviewed at least annually.

Item 14: Client Referrals and Other Compensation

Smartleaf Asset Management does not receive any economic benefit from any person (other than the client) for providing services to client accounts. SAM also does not compensate any person (other than its own employees) for client referrals or soliciting prospective Clients.

Item 15: Custody

Except in the limited instances described below, Smartleaf Asset Management does not have custody of Clients' assets.

In the view of the SEC, investment advisers are deemed to have "custody" of client funds if they have the ability to directly debit advisory fees from client accounts. Because SAM may have authorization to directly debit the client's account(s) for payment of advisory fees SAM is said to exercise limited custody over client assets. SAM is responsible for assuring that the account's independent, qualified custodian will provide account statements directly to clients, at least quarterly, and that the client's statement will clearly label the advisor's fee.

Custodian Account Statements

Qualified custodians that hold Clients' assets will provide account statements directly to Clients at their address of record at least quarterly. The statement will indicate all amounts disbursed from the account including the amount of management fees paid directly to Smartleaf Asset Management. Clients are encouraged to carefully review the statements provided by their custodians.

Internal Account Statements

Clients may receive supplemental quarterly account statements (i.e. tax benefits report) prepared by Smartleaf Asset Management that summarize trades or non-trades (i.e. deferred gains) aimed at reducing the investor's tax bill.

Item 16: Investment Discretion

Discretionary Authority for Trading

Smartleaf Asset Management exercises discretionary trading authority with respect to Client accounts. This authority is granted by the Client in the investment advisory or sub-advisory agreement and allows SAM to determine, without obtaining specific client consent for each trade, the securities to be bought or sold and the amount of the securities, subject to Client's specific limitations. When selecting the securities and determining amounts, SAM observes the investment policies and restrictions of the client portfolio it is advising. There is no investment discretion given to SAM when SAM's role is limited to selling model data sets to Advice-Only Clients.

Limited Power of Attorney

The investment advisory agreement [and the custodian's account application] for Personal Index Portfolios includes a Client's grant of a limited power of attorney to Smartleaf Asset Management to trade the Client's account and take other necessary action with respect to the account, but does not grant SAM the power to receive or hold any client assets. There is no limited power of attorney given to SAM when SAM's role is limited to selling model data sets to Advice-Only Clients.

Item 17: Voting Client Securities

As a matter of firm policy and practice, Smartleaf Asset Management does not vote proxies on behalf of advisory clients. In addition, for those clients that hold pooled investment vehicle interests such as mutual fund shares, Smartleaf will not accept proxy voting authority or responsibility. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Smartleaf Asset Management does not serve as a qualified custodian for client funds or securities, other than as described above, and does not require prepayment of fees of more than \$500 and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Smartleaf Asset Management does not have any financial impairment that will preclude it from meeting contractual commitments to clients.

Bankruptcy Petition during the Past Ten Years

Not applicable to Smartleaf Asset Management or its members.

Miscellaneous

Privacy: Smartleaf Asset Management prohibits the disclosure of any client-related non-public personal information as collected by the firm throughout the client/firm relationship. However, Smartleaf may make limited disclosure of such information as authorized by the client, or as otherwise provided by law. A copy of SAM's Privacy Notice will be provided to each client upon inception of the relationship and annual thereafter.

Business Continuity: Smartleaf Asset Management has made preparations via a planning document to expedite the resumption of business in the event of a major disruption. Among other issues, the plan details how Clients may access their accounts in the event of an emergency. A copy of the Business Continuity Plan disclosure is available for review by request.