



# Polly Portfolio

## FORM ADV PART 2A WRAP FEE PROGRAM BROCHURE

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### POLLY PORTFOLIO WRAP FEE PROGRAM

Sponsored by:  
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This wrap fee program brochure provides information about the qualifications and business practices of Polly Portfolio, Inc. If you have any questions about the contents of this brochure, please contact us at [compliance@pollyport.com](mailto:compliance@pollyport.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 Polly Portfolio, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2      Material Changes

There are no material changes to report as this is Polly Portfolio's initial Form ADV Part 2A.

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## Item 4 - Services, Fees and Compensation

### A. Description of Service

Polly Portfolio, Inc. ("Polly Portfolio") manages money for individual clients and businesses (each a "Client," and collectively, "Clients"). It provides investment management through its interactive website located at <https://pollyport.com>. Using publicly-available data, proprietary models and fundamental research, Polly Portfolio manages individually tailored Client portfolios based on a combination of the Client's economic views and our own expectations. Clients have the ability to influence the portfolios selected for them by Polly Portfolio by making changes in their outlooks on the interactive website.

Client investment portfolios are analyzed for potential adjustment trades at least monthly based on market movements and changes in Polly Portfolio's outlook. Should a Client change their views more frequently, Polly Portfolio will not change that Client's investments until the next rebalancing date consistent with Polly Portfolio's procedures.

Polly Portfolio charges an annual wrap fee based on the percentage of assets under management, which are determined and billed monthly in arrears. This wrap fee includes all portfolio management costs, trading costs, custodial costs and operational costs. There are no additional sales charges or additional commissions ever paid. All portfolio management services offered in the wrap program are managed internally. Therefore no portion of the wrap fee is paid to outside portfolio managers.

The annual wrapped fees are as follows:

- For account balances between \$0 - \$250,000 a charge of 0.55%;
- For account balances between \$250,001 - \$500,000 a charge of 0.45%; and
- For account balances between \$500,001 and up a charge of 0.35%.

Polly Portfolio's wrap fees are non-negotiable.

The advisory agreement that is entered into between Polly Portfolio and a Client may be cancelled at any time by the Client or Polly Portfolio. Upon termination of any account, any unpaid earned fees will be due and payable and will be billed to the Client.

### B. Relative Cost of the Program

The total annual wrap fees referenced in Item 4A are inclusive of Polly Portfolio's management fee and the fees for custodial services and trade execution costs. The wrap fee may cost the Client more than if the services were purchased separately. Polly Portfolio chooses to offer

the wrap fee program because of the convenience, transparency and consistency to the Client. If the services were purchased separately, the Client would pay varying fees each month based on the number of trades executed.

#### C. Additional Fees

Clients will incur brokerage interest and fees on margin, stock, and other loans, or on debit balances in an account. Also depending on the nature of the securities or products purchased or sold, Clients may pay other fees or expenses to third parties. For example issuers of securities such as exchange traded funds have embedded expenses and other fees, including those relating to management, brokerage, legal, accounting, or custody. Polly Portfolio does not benefit, directly or indirectly, from any of the foregoing other fees and expenses.

#### D. Compensation of Person Recommending the Wrap Fee Program

Polly Portfolio may perform advertising campaigns to attract Clients to open accounts on the site. These campaigns may include promotions such as additional account services or products, more favorable fee arrangements or waived advisory fees. In addition, Polly Portfolio may offer advisory clients a reduction or waiver of advisory fees for referrals of friends and family.

Clients are not charged any fee nor do they incur any additional costs for being referred to Polly Portfolio by a current Client or any other person.

Other than as stated above, Polly Portfolio, or any related person, does not otherwise directly or indirectly compensate any person who is not our supervised person for Client referrals.

### Item 5 - Account Requirements and Types of Clients

The Polly Portfolio wrap fee program is designed to provide investment advisory services to individuals, and business entities who meet Polly Portfolio's suitability requirements. Participation in the program requires that the Client complete an account application. Clients approved for an account must maintain a securities brokerage and custody account with Interactive Brokers LLC, the wrap fee broker (the "Wrap Fee Broker"). Polly Portfolio selected the Wrap Fee Broker on the basis of services provides to Polly Portfolio's Clients and the fees it charges to Polly Portfolio. Except for other discretionary services not contemplated by the Wrap Fee Broker's account agreement and interest and fees on margin, stock, and other loans, or on debit balances in an account, , none of the Wrap Fee Broker's charges are paid by Polly Portfolio's Clients. A minimum of \$50,000 initial investment is required to open an account. At our discretion, we may reduce or increase this minimum account size. We have

the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage. Fees are non-negotiable for wrap fee accounts.

## Item 6 - Portfolio Manager Selection and Evaluation

### 1. Selection and Review of Portfolio Managers

Polly Portfolio directly manages its Clients' accounts and does not outsource the portfolio management to any outside managers.

#### 1. Performance Calculation Standards

Polly Portfolio uses the industry standard time-weighted rate of return to measure its performance.

#### 2. Third Party Review of Performance

Polly Portfolio uses Orion Advisor Services, a third party analytics provider, to calculate all its performance return information displayed to Clients for actual accounts.

### 2. Related Persons as Portfolio Manager

No related person acts as portfolio manager for the wrap fee program sponsored and offered by Polly Portfolio.

### 3. Additional Information with Respect to Portfolio Manager for the Wrap Fee Program

#### 1. Advisory Business

##### a. Advisory Services

Polly Portfolio manages money for Clients. It provides investment management through its interactive website located at <https://pollyport.com>.

Using publicly-available data, proprietary models and fundamental research, Polly Portfolio manages individually tailored Client portfolios based on a combination of the Client's economic views and our own expectations. Clients have the ability to influence the portfolios selected for them by Polly Portfolio by making changes in their outlooks on the interactive website.

Client investment portfolios are analyzed for potential adjustment trades at least monthly based on market movements and changes in Polly Portfolio's outlook.

Should a Client change their views more frequently, Polly Portfolio will not change that Client's investments until the next rebalancing date consistent with Polly Portfolio's procedures.

Polly Portfolio provides investment advisory services exclusively through its interactive website except that in any twelve month period Polly Portfolio may provide investment advice to less than 15 Clients through other means.

Polly Portfolio is in no way affiliated with hedge funds, other investment managers, broker-dealers or financial data providers who make data publicly available, and any use of specific data by Polly Portfolio is in no way intended to be an endorsement of the firm providing the data.

b. Tailored Services

Polly portfolio tailors each Client's portfolio to their individual financial outlooks. Polly Portfolio requires each Client to either define their market views on a finite set of market variables or choose to invest in Polly Portfolio's "base" projections. Clients are not able to specify specific assets in which investments can be made.

c. Wrap Fee Program Participation

Polly Portfolio tailors each client's portfolio to both their individual investment goals/risk tolerances as well as their individual economic outlooks. Polly Portfolio requires each client to either define their outlooks on a finite set of economic variables or choose to invest based on Polly Portfolio's own firm outlooks. Clients are not able to specify specific assets in which investments can be made.

Polly Portfolio serves as the wrap fee program's sponsor and investment advisor, and receives a portion of the wrap fee its services. The wrap fee includes all portfolio management costs, trading costs, custodial costs, and operational costs. Please refer to Item 4C for other fees or expenses not included in the wrap fee.

2. Performed-Based Fees and Side-by-Side Management

Polly Portfolio does not charge fees based on performance or the net profits of the assets being managed.

3. Method of Analysis, Investment Strategies and Risk of Loss

a. Methods of Analysis and Investment Strategies

Polly Portfolio provides Clients with an active asset allocation strategy, largely executed using passive instruments like index-based exchange-traded funds for cost-efficient market access. Polly Portfolio's investment advice is based on a series of

computerized models which generate forecasts of market variables, combine those forecasts and generate a set of market return expectations, and build a portfolio which is expected to provide strong risk-adjusted returns if those expectations are realized. The investment process utilized by Polly Portfolio is based on years of institutional investment research and deploys concepts from econometrics, Bayesian statistics, portfolio theory, and stochastic calculus. The goal of the Polly Portfolio investment process is to provide superior total returns to Clients that reflect Clients' individual views and risk targets in a cost-conscious way.

As Polly Portfolio's models are built out of fundamental macroeconomic factors such as growth and inflation, the investment process allows Polly Portfolio to use Client views on macroeconomic conditions and themes to generate a portfolio that is expected to outperform in such conditions. Polly Portfolio offers Clients the option to specify individual views on a number of different axes (e.g. U.S. growth, U.S. inflation, China growth, etc.) that affect the inputs to the investment models, which then generate corresponding market return expectations. Those return expectations in turn feed into a portfolio construction process intended to build a portfolio which is expected to outperform if those views and expectations turn out to be correct.

Using models of macroeconomic relationships, Polly Portfolio generates targets for the forward returns of a number of key market instruments (including, but not limited to, sovereign bonds, major equity indices, developed market and emerging market currencies, corporate credit indices, volatility indices, mortgages, real assets, and commodities). Polly Portfolio models these instruments with a number of different approaches, drawing from theoretical macroeconomics, empirical observations, and market practitioner experience.

To formulate a holistic view of expected returns, Polly Portfolio then combines multiple different model forecasts for each instrument into a single scenario of forward-looking returns and instrument covariance. Polly Portfolio combines model results by using "Maximum Likelihood Estimators" to measure the covariance of forecasting errors and Bayesian statistics to encode proprietary model forecasts on the historical relationships between models and instruments according to the expected model error. As a result, Polly Portfolio may be able to extract information content from models with differing and even opposing views according to conditional beliefs about relative model accuracy and thereby create a self-consistent forward-looking view.

With a view on how these market instruments will perform going forward in hand, Polly Portfolio then applies elements from "Modern Portfolio Theory" and its own proprietary risk methodology in an effort to generate an optimal portfolio to monetize expected returns. Modern Portfolio Theory seeks to maximize a portfolio's expected return relative to a given level of risk, or equivalently minimize portfolio risk for a given expected return, by determining the optimal allocation across asset classes. To augment the selection of a portfolio according to the mean-variance optimization in Modern Portfolio Theory, Polly Portfolio also optimizes within proprietary risk and cost constraints. Among other factors, Polly Portfolio seeks to limit:

- Overall portfolio correlation with major benchmarks (e.g. S&P 500 index or US 10Y Treasury notes)
- Portfolio losses in major risk-off episodes
- Portfolio dependence on a single asset class for returns
- The portfolio impact of market models with higher expected errors
- The portfolio impact of sample error in the covariance between financial markets
- Transaction costs

The portfolio construction process that Polly Portfolio practices consequently includes a broader mix of risk measures than does Modern Portfolio Theory.

In constructing portfolios for Clients according to individual risk targets, Polly Portfolio considers both a base portfolio reflecting a diversified risk-based allocation across asset classes and tactical positioning relative to that base portfolio that results from Polly Portfolio's models and Clients' views.

#### i. Security Selection

To provide Clients with market exposure to the portfolios generated by its investment process, Polly Portfolio trades publicly-listed exchange-traded products, including, Exchange-Traded Funds ("ETFs"). The rapid recent expansion in size and breadth of the Exchange-Traded Fund market now allows retail investors easy and low-cost access to diversified baskets of securities that would otherwise be difficult to trade at small size. These exchange-traded products map to the market indices and benchmark instruments that Polly Portfolio forecasts.

Polly Portfolio selects securities in light of a number of factors such as: efficiency with which the product tracks an underlying benchmark; geographic and asset class exposure; liquidity; expense ratio; assets under management; and cost and availability of borrowing. Polly Portfolio also periodically evaluates alternative instruments as additions to or replacements of instruments it currently utilizes in Clients' portfolios and may utilize such instruments if Polly Portfolio determines they are appropriate for Clients' portfolios.

#### ii. Rebalancing

Polly Portfolio monitors Clients' portfolios for potential rebalancing opportunities in light of changing market conditions, outperformance or underperformance of asset classes, changing Client views, and changing models in an effort to improve expected returns for the Client's desired level of risk. The timing of rebalancing actions depends on market conditions such as volatility and on the tradeoff between higher expected returns in Client portfolios and the transaction costs of rebalancing.

Any investment in securities involves the risk of loss that Clients should be prepared to bear.



b. Risk of Loss

Polly Portfolio cannot guarantee any level of performance or that any Client will avoid losses in its account(s).

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk factors, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following enumerated risks may not be all-inclusive but should be considered carefully by a prospective Client before retaining Polly Portfolio's services.

The following risks should be considered:

Market Risk – The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Polly Portfolio's control, including, but not limited to, predicted or unpredicted changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, changing interest rates, regulatory changes, and domestic, foreign, or global political, demographic, or social events. If a Client has a high allocation in a particular asset class it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that Client Account to underperform relative to the overall market.

Advisory Risk – There is no guarantee that Polly Portfolio's judgment, models, or investment decisions about particular securities or asset classes will necessarily produce the intended or expected results. Polly Portfolio's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. Polly Portfolio may also make future changes to the investing algorithms and advisory services that it provides. In addition, it is possible that Clients or Polly Portfolio itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Polly Portfolio's software-based or web-based financial advisory service. Polly Portfolio and its representatives are not responsible to any Client for losses unless caused by Polly Portfolio breaching its fiduciary duty.

Volatility and Correlation Risk – Clients should be aware that Polly Portfolio's asset selection process is based in part on historical performance and volatility of returns in order to estimate expected returns and risk. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and such movements may become more acute in times of market upheaval, high volatility, or limited liquidity. Past performance is no guarantee of future results, and any historical returns, expected returns, risk forecasts, or probability projections may not reflect actual future performance or realized risk.

Liquidity and Valuation Risk – High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling his securities at all or at an advantageous time or price because Polly Portfolio and the Client's Broker may have

difficulty finding a buyer and may be forced to sell at a significant discount to market or previously quoted value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage and rebalance their portfolios. While Polly Portfolio values the securities held in Client Accounts based on reasonably available exchange-traded security data, Polly Portfolio may from time to time receive, display, or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting advisory fees paid by a Client to Polly Portfolio.

Credit Risk – Polly Portfolio cannot control and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy, or insolvency, any of which may affect portfolio value or management. This risk applies to assets on deposit with any Broker utilized by Client, notwithstanding asset segregation and insurance requirements that are beneficial to Broker Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of Client securities. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client directly or through an exchange-traded product such as an ETF. Polly Portfolio seeks to limit credit risk by generally adhering to the purchase of ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk – Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). Polly Portfolio does not engage in financial or tax planning, and in certain circumstances a Client may incur taxable income on his investments without a cash distribution to pay the tax due.

Foreign Investing and Emerging Markets Risk – Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social, and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding

requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices, and foreign regulation may be inadequate or irregular.

Inflation, Currency, and Interest Rate Risks - Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to decline relative to future purchasing power and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. Adverse changes in currency exchange rates (relative to the U.S. dollar) may erode or reverse any potential gains from investments in securities denominated in a foreign currency or may widen existing losses.

Borrowing and Embedded Leverage - Depending on an individual Client's risk targets, Polly Portfolio may engage in secured borrowing up to the maximum extent allowable under applicable credit regulations and Polly Portfolio's internal guidelines limits for Client borrowing. Like other forms of leverage, the use of borrowing can enhance the risk of capital loss in the event of adverse changes in the level of market prices of the assets being financed with the borrowings. Leverage may also take the form of exchange-traded products such as levered ETFs that use borrowing or financial instruments to provide a risk and return profile comparable to having borrowed in order to finance a position. The use of leverage allows Clients to increase their exposure to assets, such that total assets may be greater than capital invested. However, the use of leverage may also magnify the volatility - or the likelihood of short-term changes in value - of any portfolio. The effect of the use of leverage in a portfolio may result in losses to the portfolio that exceed losses to the portfolio if such portfolio did not utilize leverage.

Short Sales - A short sale involves the sale of a security that a portfolio does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. To make delivery to the buyer, the portfolio must borrow the security, and the portfolio is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the portfolio. In some cases, the lender may rescind the loan of securities and cause the borrower to repurchase shares at inflated prices, resulting in a loss. When a portfolio makes a short sale in the United States, it must leave the proceeds thereof with the broker, and it must also deposit with the broker an amount of cash or marketable securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security and therefore correspondingly unlimited losses. The extent to which a portfolio will engage in short

sales depends upon the Client's views, Polly Portfolio's investment strategy, and Polly Portfolio's perception of market direction. In addition, global regulatory prohibitions on short sales may impair Polly Portfolio's ability to implement its investment process. Bans may add additional constraints to a strategy, which may increase transaction costs as well as the time required to monitor compliance with the restrictions.

c. Risks Associated with ETF securities

Polly Portfolio expects to primarily trade in ETFs. The risks associated with ETFs, include:

ETF Risks, including Net Asset Valuations and Tracking Error – ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Polly Portfolio plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

4. Voting Client Securities

Polly Portfolio does not accept authority to vote Client securities and it does not respond to class action suit inquiries. Clients should expect to receive requests for proxy voting or other solicitations directly from the Wrap Fee Broker. Should Polly Portfolio receive any request for proxy voting or other solicitation on a behalf of a client, it will forward them to the client for the client's determination and handling.

## Item 7 – Client Information Provided to Portfolio Managers

Polly Portfolio communicates detailed Client information to its portfolio management team including age, market views, income level, and other relevant information completed in the Clients' account opening application. Information on current Clients is available to Polly Portfolio's management team through its internal database. Should a Client submit a support request, Polly Portfolio's portfolio managers can view the Client's updated information.

## Item 8 – Client Contact with Portfolio Managers

Clients do not have the ability to contact and consult with portfolio managers directly. Polly Portfolio places no restrictions on the ability for Clients to interact with support representatives via the online website or calling the help line. The website will allow Clients to submit questions through a support ticket system.

## Item 9 – Additional Information

### A. Disciplinary Information and Other Financial Industry Activities and Affiliations

Polly Portfolio and its management persons do not have any legal, financial, regulatory, or any other disciplinary item that are material to report to any Client or prospective Client's evaluation of our advisory business or the integrity of our management. There have been no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction involving either Polly Portfolio or a management person. There have been no administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority involving either Polly Portfolio or a management person. There have been no self-regulatory organization proceedings involving either Polly Portfolio or a management person.

Neither Polly Portfolio nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker dealer. Neither Polly Portfolio nor any of its management persons are registered or have a pending registration as a futures commission merchant, commodity pool operator, a commodity-trading adviser, or as an associated person of the forgoing list. Neither Polly Portfolio nor its management persons have relationships with other entities in the financial services industry that materially affect Polly Portfolio's advisory business or its Clients.

Polly Portfolio does not recommend or select other investment advisers.

### B. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Polly Portfolio maintains a code of ethics that requires all officers and employees to conduct themselves with the highest standards of honest conduct and business ethics in all aspects of their activities concerning Polly Portfolio and Polly Portfolio's Clients.

A copy of Polly Portfolio's code of ethics is available to Clients and prospective Clients upon request by emailing [compliance@pollyport.com](mailto:compliance@pollyport.com).

Polly Portfolio does not recommend to Clients, or buy or sell for Client accounts, securities in which Polly Portfolio or a related person have a material financial interest.

Polly Portfolio or a related person does not buy or sell securities identical to those recommended to Clients for their own accounts.

Polly Portfolio does not recommend securities to Clients, or buy or sell securities for Client accounts, at or about the same time we or a related person buys or sells the same securities for our own account or the accounts of related persons.

Polly Portfolio's investment management team, which is led by Jasen Yang, reviews Client accounts on a daily basis. In addition, Polly Portfolio uses many internal analytics and risk management systems to help monitor accounts. These systems will determine whether Client accounts have deviated from their target allocation. A deviation could occur due to price movements in the portfolios investments or because of changes in Polly Portfolio's research opinions on particular investments. Clients of Polly Portfolio are provided with online access to receive up to date analytics, written reports, and positions. Clients will also have direct access to their account via the custodian's website which will provide additional information.

Polly Portfolio does not receive any economic benefit, from any person who is not a Client, for providing investment advice or other advisory services to our Clients. Polly Portfolio may perform advertising campaigns to attract Clients to open accounts on the site. These campaigns may include promotions such as additional account services or products, more favorable fee arrangements or waived advisory fees. In addition, Polly Portfolio may offer advisory clients a reduction or waiver of advisory fees for referrals of friends and family. Clients are not charged any fee nor do they incur any additional costs for being referred to Polly Portfolio by a current Client or any other person. Other than as stated above, Polly Portfolio, or any related person, does not otherwise, directly or indirectly, compensate any person who is not our supervised person for Client referrals.

Polly Portfolio does not require nor solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance, and therefore does not need to include a balance sheet with this brochure. Polly Portfolio does not have any financial condition that is reasonably likely to

impair its ability to meet contractual commitments to its Clients. Polly Portfolio has not been the subject of any bankruptcy petition.