

## Form ADV Part 2A: Firm Brochure

### 3edge Asset Management, LP

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This brochure provides information about the qualifications and business practices of 3edge Asset Management, LP (“3edge”). If you have any questions about the contents of this brochure, please contact Kristi Hillyer, Chief Compliance Officer (“CCO”) at (844) 903-3343 or email [kmh@3edgeam.com](mailto:kmh@3edgeam.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 3edge is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

3edge is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

## **Item 2: Material Changes**

On November 20, 2015, 3edge filed its initial application to register as an investment adviser with the SEC. Accordingly, pursuant to disclosure rules under the Advisers Act, this is the first Firm Brochure compiled by 3edge to provide new and prospective clients with clearly written, meaningful, current disclosure of its business practices, conflicts of interest and background of its advisory personnel. We encourage all recipients of this Firm Brochure to read it carefully in its entirety.

In the future, this item will identify and discuss the material changes since the last annual update to assist investors and make them aware of certain information that has changed since the prior year's Firm Brochure and that may be important to them.

## Item 3: Table of Contents

Item 2. Material Changes .....	2
Item 3. Table of Contents .....	2
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation.....	5
Item 6. Performance Based Fees and Side-by-Side Management.....	6
Item 7. Types of Clients .....	7
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Item 9. Disciplinary Information .....	11
Item 10. Other Financial Industry Activities and Affiliations.....	11
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading....	11
Item 12. Brokerage Practices.....	12
Item 13. Review of Accounts .....	14
Item 14 Client Referrals and Other Compensation .....	15
Item 15. Custody .....	15
Item 16. Investment Discretion .....	15
Item 17. Voting Client Securities .....	16
Item 18. Financial Information.....	16

## Item 4: Advisory Business

3edge is organized as a limited partnership under the laws of the State of Delaware. Stephen Cucchiaro, Chief Executive Officer, founded 3edge in December of 2015. 3edge Asset Management General Partner, LLC is 3edge's general partner (the "General Partner"). Stephen Cucchiaro is the principal owner of 3edge and the General Partner. The investment activities of 3edge are led by Stephen Cucchiaro. A number of other investment professionals will work with Stephen Cucchiaro to execute 3edge's investment strategy.

### Private Fund

3edge serves as an investment manager and provide discretionary advisory services to two private investment vehicles organized as a "master-feeder" structure. 3edge Global Opportunities Fund, LP (the "Master Fund") is organized as a Delaware limited partnership and 3edge Global Opportunities Fund (Offshore), Ltd. (the "Feeder Fund" and, together with the Master Fund, the "Private Fund") is organized as a Cayman exempted limited company. An affiliate of 3edge, 3edge General Partner, LP, serves as the Master Fund's general partner (the "Fund General Partner"). Assets of the Private Fund will be managed in accordance with the terms of the Private Fund's confidential offering memorandum, the Investment Advisory Agreement between 3edge and the Master Fund, the Master Fund's limited partnership agreement and the Memorandum and Articles of Association of the Feeder Fund (the "Fund Governing Documents"). All terms will generally be established at the time of the formation of the Fund. Investors in the Private Fund will have no ability to direct or restrict investments by the Private Fund in any capacity.

Unless otherwise specified and to the extent that the context otherwise requires, references to "3edge", "us" or "we" include the Fund General Partner.

### Separately Managed Accounts

We also intend to provide discretionary advisory services to Separately Managed Accounts managed by us and sub-advisory services on client accounts of other investment adviser firms (each, an "SMA Client"). We manage SMA Client assets using discrete investment strategies on behalf of each SMA Client, but each particular strategy is based upon a similar investment philosophy and process, as well as our proprietary research. Currently, we do not envision tailoring our strategies to any individual client requests or restrictions. However, we would maintain the right to do so in special cases.

SMA Clients, together with the Private Fund, shall be referred to herein as "Clients."

As of the date of this filing, we do not have any discretionary assets under management. However, we have registered with the SEC in reliance on Rule 203A-2(c) because we expect to be eligible for SEC registration within 120 days after the date of this filing.

## Item 5: Fees and Compensation

### General

3edge provides investment advisory services to the SMA Clients pursuant to an investment management agreement (“IMA”) with each SMA Client. As described above, 3edge will provide investment advisory services to the Private Fund pursuant to an Investment Advisory Agreement with the Master Fund. The Fund General Partner serves as the general partner of the Master Fund pursuant to the Master Fund’s limited partnership agreement.

### Private Fund

3edge will typically receive compensation from management fees based on a percentage of assets under management and performance allocations. Investors should review the Private Fund’s Confidential Offering Memorandum for a description of all fees charged by 3edge and others to fully understand the total amount of fees to be paid by the Private Fund and, indirectly, by investors in the Private Fund.

### *Management Fee*

Each Private Fund investor will be charged an asset based fee (the “Management Fee”) equal to 1.0% per annum of the net asset value of the investor’s investment in the Private Fund. The Management Fee will be calculated and paid quarterly in arrears and will be deducted from the investor’s capital account in the Private Fund.

3edge, in its sole discretion, may elect to reduce, waive or charge the Management Fee on different terms with respect to any Private Fund investor, including through separate written agreements with investors and the establishment of different classes of participation in the Private Fund.

### *Performance Allocation*

In addition to the Management Fee, the Fund General Partner will receive from the assets of the Private Fund an incentive allocation (the “Performance Allocation”) in an amount equal to 15% of the Private Fund’s annual net profits, subject to a high water mark. The Performance Allocation is payable as of the end of the Private Fund’s fiscal year or upon the withdrawal of all or a portion of a Master Fund investor’s capital account (or the redemption of a Feeder Fund investor’s shares).

The Performance Allocation may be waived or modified with respect to any investor by the Fund General Partner, in its sole discretion, including through separate written agreements with investors and the establishment of different classes of participation in the Private Fund.

The Private Fund will pay its organizational and offering expenses, including the expenses for its initial offering of interests in the Master Fund and shares in the Feeder Fund. Such expenses will generally be amortized over a period of 180 months for tax purposes and may be amortized over a period of 60 months (or such shorter period as determined by the General Partner) for book purposes, which may result in an exception in the auditor’s report that the Partnership’s financial statements were prepared in accordance with GAAP. If such expenses are amortized for book purposes, the Private Fund may, in the Fund General Partner’s sole and absolute discretion, accelerate the amortization of such expenses at any time.

The Private Fund will also bear the expenses of the continuous offering of interests in the Master Fund and shares in the Feeder Fund and the expenses of its operations, including (without limitation) the cost of producing and distributing offering memoranda and other marketing and subscription materials; printing and mailing costs; filing and regulatory fees and expenses; pricing and valuation fees and expenses; accounting, custodial, administrative, legal, audit, bookkeeping and tax preparation fees and expenses (including fees and expenses of any administrator or custodian); computer software, licensing, programming and operating expenses; data processing costs; consultant fees; tax, litigation, and extraordinary expenses, if any; investment expenses whether relating to investments that are consummated or unconsummated (*e.g.*, expenses which, in the determination of the Fund General Partner or 3edge, as appropriate, are related to the investment of the Private Fund's assets, such as (without limitation) brokerage commissions, if any, spreads, mark-ups and other changes and fees on securities and other financial instruments, interest expenses (including interest due to repurchase agreements and any borrowings by the Private Fund), custodial and sub-custodial transaction charges and any costs associated with collateral management); insurance expenses; bank charges; currency hedging costs; and other investment and operating expenses. The Feeder Fund, as an investor in the Master Fund, will bear its *pro rata* share of the Master Fund's organizational, investment and operational expenses.

Investors should review the Private Fund's confidential offering memorandum for a description of all fees payable by the Private Fund to 3edge and its affiliates, custodians, brokers and others. Fees and expenses payable to third parties in connection with the acquisition or disposition of the Private Fund's investments are borne by the Private Fund.

The brokerage fees and expenses applicable to an investment in the Private Fund are discussed in more detail in Item 12 "Brokerage Practices" below.

#### Separately Managed Accounts

The management fees charged by 3edge to SMA Clients are negotiated with each SMA Client or the investment adviser for the SMA Clients we sub-advise. Such management fees are generally paid quarterly in arrears, or as otherwise provided in the SMA Client's IMA, based on the value of the assets in the SMA Client account at the close of the applicable billing period in accordance with the chart below. SMA Clients do not pay a performance or incentive fee. 3edge generally intends to deduct the Management Fee directly from the SMA Client's custodial account; however 3edge will accommodate SMA Clients who prefer to receive an invoice for the services rendered. 3edge's services may be terminated by either party upon written notification in accordance with the terms of the SMA Client's IMA. SMA Clients are responsible for paying for services provided until the termination of the IMA. Management fees charged to investment advisers for accounts we sub-advise are negotiated with each investment adviser and may differ from the fees stated below.

#### Separately Managed Account Fees

Asset Value	Annual Fee
First \$1 Million	0.80%
Next \$4 Million	0.70%

Next \$45 Million	0.60%
Amount Over \$50 Million	0.50%

In addition to 3edge the applicable management fee payable to 3edge, each SMA Client bears the trading costs for its account, including brokerage fees. For a more detailed description of the brokerage fees payable by SMA Client accounts, please refer to Item 12, Brokerage Practices, below. To the extent that an SMA Client account is invested in mutual funds, including money market funds, the account will indirectly be subject to such funds' management, trading, and administrative expenses.

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

As described above in Item 5 "Fees and Compensation," we receive a Performance Allocation from the Private Fund. With respect to SMA Clients, we currently expect that we will receive only an asset-based management fee and will not charge performance-based fees to SMA Client accounts. To the extent a Client account (such as the Private Fund) is subject to a performance-based fee, such performance or incentive fee may create an incentive for 3edge to make investments that are more speculative than would be the case in the absence of such performance-based compensation. In addition, performance-based fees may create an incentive for 3edge to favor those Client accounts that have a performance-based fee over others that do not, as a performance-based fee has the potential to increase 3edge's overall compensation from that account.

Whether a client's fee is performance-based or not, 3edge will design and implement policies and procedures to prevent the conflict of interest of 3edge having an incentive to favor accounts from which it receives a performance fee.

## Item 7: Types of Clients

### Private Fund

We provide discretionary management and advisory services to the Private Fund directly and not individually to the investors in the Private Fund. Investors in the Private Fund may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (*e.g.*, funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The minimum commitment for an investor is \$1,000,000; however, 3edge and/or its affiliates may accept lesser amounts in their sole discretion. Investors in the Master Fund and United States investors in the Feeder Fund will also be required to meet additional suitability qualifications. In particular, such investors must be (i) "accredited investors" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act of 1933; (ii) "qualified purchasers" within the meaning set forth in Section 2(a)(51) of the Investment Company Act of 1940 and the regulations thereunder; and (iii) "qualified clients" within the meaning set forth in Rule 205-3 of the Advisers Act.

Separately Managed Accounts

SMA Clients generally are sophisticated high net worth individuals and institutional clients. This could include (but not be limited to) any of the following categories; individuals, family offices, multi-family offices, as well as institutional clients including, endowments and foundations, public and private retirement plans, etc.

For our SMA Client accounts, the minimum investment is \$500K; however, 3edge may in its discretion accept lesser amounts.

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

3edge employs a global asset allocation approach to investing. We seek to blend science with sound judgment and practical experience. We apply our proprietary scientific approach to seek to understand the primary cause and effect relationships that may impact the behavior of the global markets. We also recognize that economic, fundamental and investor behavioral factors are all important when analyzing the markets.

While we employ our scientific approach to identify potentially attractive (undervalued) asset classes, market indices and regions, we do not proceed with an investment without a thorough analysis by our investment research team followed by a careful review by our investment committee of any potential investment.

Our investment universe is broad and includes a wide variety of asset classes including equities, fixed income, hard assets, commodities and gold, as well as multiple currencies. The firm's investment universe also includes multiple regions, including the U.S., Europe, Asia and emerging markets.

Since the financial crisis of 2008, central banks and governments around the world have influenced the global capital markets in unprecedented ways. We also find it helpful to apply some of the key concepts in the field of multi-player game theory, to analyze the many different actors (agents) that may through their actions influence the direction of the global capital markets. These different actors may include central banks, governments, investors, consumers and producers from around the globe.

Summary of the Principal Investment Risks

Investing involves substantial risks, including the risk of total loss of capital, and may not be suitable for all investors. No guarantee or representation is made that the Client's investment program, including, without limitation, the Client's investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of investments otherwise made by the investment professionals of 3edge are not necessarily indicative of the Client's or 3edge's future performance.

The following are certain of the principal risks associated with the investment activities of the Fund:

*General Investment Risk.*

Investing in any securities involves risk of loss that clients should be prepared to bear. Any investment in securities carries certain market risks. In addition to the factors discussed elsewhere in this brochure, investments may decline in value for any number of reasons over which 3edge may have no control, including changes in the overall market for equity securities, and factors pertaining to particular portfolio securities, such as management, the market for the issuer's products or services, sources of supply, technological changes within the issuer's industry, the availability of additional capital and labor, general economic conditions, political conditions, and other similar conditions. The value of investments made by 3edge will fluctuate, and there is no assurance that a Client's portfolio will achieve its investment objective.

*Recent Developments in Financial Markets.* Recent developments in the global financial markets illustrate that the current environment is one of extraordinary and possibly unprecedented uncertainty. In light of such recent market turmoil and the overall weakening of the financial services industry, the Private Fund, the Fund General Partner, SMA Clients, 3edge, the prime brokers (and their respective affiliates) and other financial institutions' financial condition may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Client's investments.

*Financial Markets and Regulatory Change.* Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental as well as self-regulatory organizations' scrutiny of the "hedge fund" industry in general. The laws and regulations affecting businesses continue to evolve in an unpredictable manner. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the Private Fund's activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Private Fund. It is impossible to predict what, if any, changes in regulation applicable to the Private Fund or 3edge, the markets in which they trade and invest or the counterparties with which they do business may be instituted in the future.

*No Operating History.* 3edge and the Private Fund are newly-formed entities which do not have an operating history for prospective investors to evaluate prior to making an investment with 3edge or in the Private Fund. The investment professionals of 3edge have been using strategies similar to some of the strategies described herein in connection with other private investment funds or securities firms for several years. However, there can be no assurance that any Client account will achieve results comparable to those that the investment professionals have achieved in the past.

*Investment Judgment; Market Risk.* The profitability of a significant portion of a Client's investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that 3edge will be able to predict accurately these price movements. With respect to the investment strategy utilized by 3edge, there is always some, and occasionally a significant, degree of market risk.

*Reliance on Key Person.* Clients will be substantially dependent on the services of Stephen Cucchiaro. In the event of the death, disability, departure or insolvency of Stephen Cucchiaro, or the complete transfer of Stephen Cucchiaro's interest in 3edge, the investments of the Clients may be adversely affected.

*Equity Securities Generally.* 3edge will engage in trading equity securities. Market prices of equity securities generally, and of certain companies' equity securities more particularly, frequently are subject to greater volatility than prices of fixed income securities. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future.

*Fixed Income Securities.* Risks associated with investing in fixed income securities (i.e. bonds) include:

- The bond issuer's inability to pay interest or repay the bond;
- Changes in market interest rates cause the bond's value to fall;
- Illiquidity in the bond market may make the bond difficult or impossible to sell;
- The bond issuer may repay the bond prior to maturity; or
- Inflation may reduce the effective yield on the bond's interest payments

*Investing in Foreign Securities Entails Unique Risks.* 3edge may invest for clients in non-U.S. securities and other assets, which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and non- U.S. issuers and markets are subject. These risks include political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels and limitations on the use or transfer of assets. In addition, enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.

*Currency Risk.* A Client's portfolio may contain investments in multiple currencies. However, the portfolio will maintain its books and intends to pay distributions in U.S. dollars. Accordingly, fluctuations in exchange rates between the U.S. dollar and the relevant local currencies will directly affect the value of the portfolio's investments and the ultimate rate of return realized by investors. There can be no assurances that there will not be a recurrence of such fluctuations or exchange controls in the currency exchange rates of any of the countries in which the portfolio intends to invest. In addition, the portfolio may incur costs or delays in connection with conversions between various currencies. 3edge may evaluate the use of currency hedging arrangements to mitigate the risk of currency fluctuations and cause the portfolio to enter into such arrangements. However, there can be no assurance that such arrangements will be available, effective or sufficient to mitigate risk.

*Conflicts of Interest.* In addition to the risks inherent in receiving a performance-based fee from some, but not all, Client accounts as discussed in Item 6 above, there is a risk of one Client portfolio being favored over another when personal interests of 3edge or its affiliates are involved

in the daily trading activity that also includes other Client accounts. For example, Stephen Cucchiaro has made, and other 3edge personnel may make, investments in the Private Fund, which trades alongside SMA Client accounts. 3edge has designed and implemented policies and procedures to prevent the conflict of interest of 3edge having an incentive to favor accounts in which its personnel have invested personal monies.

Investors in the Private Fund should review the Fund Governing Documents for a more complete discussion of the risk factors associated with an investment in the Private Fund.

## **Item 9: Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or investor's evaluation of the adviser or the integrity of the adviser's management. Neither 3edge nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

## **Item 10: Other Financial Industry Activities and Affiliations**

An affiliate of 3edge, 3edge General Partner, LP, serves as the Fund General Partner. While the Fund General Partner is not separately registered with the SEC as an investment adviser, all of its investment advisory activities are subject to the Advisers Act and the rules promulgated thereunder. In addition, employees and persons acting on behalf of the Fund General Partner, if any, are subject to the supervision and control of 3edge.

3edge and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

3edge has developed and implemented a Code of Ethics (the "Code"), which sets forth standards of conduct that are expected of 3edge principals and employees and addresses conflicts that arise from personal trading. The Code requires that 3edge and its employees comply with their regulatory requirements, meet the fiduciary obligations to the Funds and adhere to sound business ethics and principles. Each of 3edge's employees must acknowledge their receipt of the Code, their understanding of the provisions contained in the Code, and their agreement to abide by the principles, policies and procedures set forth in the Code.

3edge's Code addresses, among other things:

- Identification and handling of material non-public information;
- Prevention of insider trading; and
- Reporting and pre-clearance of:
  - o personal securities transactions and holdings;
  - o political contributions; and

o outside business activities

3edge has adopted employee personal trade reporting and monitoring procedures. 3 edge's Code and personal trading policies prohibit 3 edge employees from buying and selling the same securities that are recommended for Client accounts. In addition, 3 edge's Code requires, among other things, that employees:

- Act within an ethical manner with the public, investors, prospective clients and investors;
- Place the interests of the Funds above their own personal interests;
- Not take inappropriate advantage of their position;
- Attempt to avoid actual or potential material conflicts of interest;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities; and
- Comply with applicable provisions of the federal securities laws.

Employees are required to disclose all outside business activities. In the event an outside business activity presents a material conflict of interest with the Clients, 3 edge reserves the right to restrict these outside business activities.

A copy of 3 edge's Code of Ethics is available upon request by contacting Kristi Hillyer, Chief Compliance Officer, at 844-903-3343.

## **Item 12: Brokerage Practices**

### Selection of Brokers and Dealers

Generally, 3edge's discretion to buy and sell securities for client accounts, select brokers to effect these transactions and negotiate 3edge any commissions or spreads paid on such transactions is established in each Client's investment advisory agreement. 3edge seeks to obtain best execution for Clients' portfolio transactions by applying several factors to help insure the trade is in the Client's best interest. The lowest brokerage fee, while an important factor, is not the sole determining factor but is only one component of insuring best execution for a particular trade. Portfolio transactions generally will be effected through brokers on securities exchanges or directly with the issuer, or through an underwriter, or market maker or other dealer for the investments. Portfolio transactions will be executed by brokers selected solely by 3edge in its absolute discretion.

Prime brokers or their affiliates may provide capital introduction or other placement services to the Private Fund and 3edge (with or without separate charges for such other services). In

determining which broker-dealer generally provides the best available price and most favorable execution, 3edge considers a totality of circumstances including:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Brokerage Fees both in aggregate and on a per share basis
- Liquidity of the securities traded
- Willingness to commit capital
- Percentage of trades executed in specific asset class YTD and MTD
- Ability to place trades in difficult market environments
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Broker-dealer's facilities and recordkeeping capabilities
- Broker-dealer's financial condition

#### Soft Dollars

3edge does not engage in soft dollar arrangements.

#### Order Aggregation and Average Pricing

While 3edge only currently plans to initially provide advice to a single fund complex, it may plan to add additional funds in the future. When 3edge determines that it would be appropriate for the Private Fund and/or one or more other SMA Client accounts to participate in an investment opportunity, 3edge may batch the SMA Client's trades with the Private Fund's trades. An SMA Client's trades will be aggregated with the Private Fund's trades only if the SMA Client's trades are treated equally with the Private Fund's trades and each participant in the trade receives average execution and average commissions and the securities purchased or sold are allocated *pro rata* (each account involved in the trade will receive the same percentage of the trade as its total assets are as a percentage of the total assets of all the accounts participating in the trade). Situations may occur where a Client could be disadvantaged because of the investment activities conducted by 3edge for other investment accounts.

Due to system or market constraints, there may be instances from time to time when 3edge cannot complete all trades for all client accounts for the same security or securities during the same day. When it is not possible for 3edge to complete all trades for all client accounts during the same day, 3edge will use a process to allocate executed trades pro-rata across client portfolios. There may be some variations in allocations based on account size and security price due to full share allocation methodology. The remaining portion of the trade will be executed the following business day(s) at 3edge's discretion.

#### Step-outs

In seeking best execution for portfolio transactions on behalf of its clients, 3edge regularly instructs the broker-dealer that executes a transaction to allocate, or “step-out” a portion, or the entirety, of such transaction to another broker-dealer (the “stepped-out broker”), especially when 3edge periodically reallocates or rebalances clients’ accounts. The stepped-out broker would then settle and complete the designated portion of the transaction, and the executing broker would then settle and complete the remaining portion of the transaction that has not been “stepped-out.” At times, there may be multiple stepped-out brokers receiving portions of a trade. Each broker-dealer may receive a commission, brokerage fee, markup/markdown (“Brokerage Fees”) with respect to that portion of the transaction that it settles and completes. Certain program sponsors and directed brokers may be unable to accommodate step-out trades.

#### Cross Trades

3edge will not execute any cross trades.

#### Trade Errors

3edge seeks to detect trade errors prior to settlement and to correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third party, such as a broker, 3edge will seek to recover any losses associated with the error from that third party. However, there is no guarantee that 3edge will be able to do so. In the event that a Client incurs a trade error solely as a result of 3edge’s bad faith, gross negligence, or willful misconduct, such error will be corrected by 3edge as soon as practicable and in a manner such that the Client incurs no loss. Trade errors that result other than by breach of the standard of care stated in the previous sentence will be borne by the relevant Client. To the extent that any gains arise from trading errors then such gains will be retained by the Client that benefited from such errors.

### **Item 13: Review of Accounts**

#### Private Fund

All investments by the Private Fund will be reviewed and approved by 3edge’s investment team, which includes Stephen Cucchiaro. Investments within the Private Fund’s portfolio will be reviewed on a daily basis and 3edge investment personnel will meet regularly to discuss items such as the decision logic in the algorithms, risk limits of each portfolio and platform, and execution results.

3edge will provide Private Fund investors with regular reports as specified in the Fund Governing Documents. Each Private Fund investor will receive audited financial statements for the Private Fund within 120 days after the conclusion of the Private Fund’s fiscal year, including audited schedules of investments, balance sheets, income statements and cash flow statements.

#### Separately Managed Accounts

On a quarterly basis, a portfolio review document is generally prepared and sent to each SMA Client summarizing its respective portfolio valuation and performance for the period, portfolio commentary, and other material relevant to the account. Clients will receive statements directly from the custodian, either by mail or via the custodian’s website. On a best efforts basis we will conduct an annual review of SMA Client accounts. SMA Client reviews will be carried out by a combination of client service and / or relationship management professionals. We will also

generate a quarterly letter which will discuss in more general terms our analysis and outlook for the capital markets.

All Clients subject to ERISA requirements are sent a disclosure statement required by ERISA Section 408(b)(2). This regulation requires 3edge, as an advisor to some retirement plans, to make written disclosure of its services, fiduciary and/or registered investment adviser status and total compensation. This statement is sent by the Chief Compliance Officer. Please contact Kristi Hillyer at (844) 903-3343 or via email at kmh@3edgeam.com for further information.

## **Item 14: Client Referrals and Other Compensation**

From time to time 3edge may enter into agreements with third party marketing and placement agents. 3edge has developed and implemented policies and procedures regarding the use and compensation of solicitors. In general, we would intend to compensate these firms by paying out a percentage of our annual investment fees paid to us by our Clients. The actual percentage paid out by our firm is at our discretion.

## **Item 15: Custody**

As a general rule, 3edge requires all SMA Clients to establish their own relationship with a qualified custodian. The Chief Compliance Officer then makes an independent determination whether the custodian is a qualified custodian for purposes of Rule 206(4)-2 under the Advisers Act. Rule 206(4)-2 under the Advisers Act regulates the custody practices of advisers under the Advisers Act.

SMA Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the SMA Client's investment assets. 3edge urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. For example, most bank statements are based on the settle date of securities transactions. 3edge's internal statements are based on the trading date of securities transactions.

3edge will establish the custodial relationship for the Private Fund with an institution that will have been determined by the Chief Compliance Officer to be a qualified custodian in accordance with Rule 206 (4)-2 under the Advisers Act. Investors in the Private Fund will not receive a statement directly from the Private Fund's custodian. 3edge's back office receives the custodial statement and completes a monthly reconciliation of each funds' account assets. In compliance with the annual audit provision provided in Advisers Act Rule 206(4)-2, 3edge obtains an audit, conducted by an PCAOB-registered accounting firm, of the Private Fund and delivers the audited financial statements to Private Fund investors within 120 days of the Private Fund's fiscal year-end.

## **Item 16: Investment Discretion**

3edge generally manages each SMA Client on a discretionary basis, subject to any limitations set out in writing in an investment advisory agreement. With respect to the Private Fund, the Fund Governing Documents provide that the Fund General Partner has discretion to manage the business and affairs of the Private Fund, subject only to specific and express limitations provided therein. The Fund General Partner has delegated such discretionary authority to 3edge pursuant to the terms of the Investment Advisory Agreement between the Private Fund and 3edge.

3edge is not obligated to acquire for any Client any security that 3edge or its officers, partners, members or employees may acquire for its or their own accounts or for the account of any other Client, if in the absolute discretion of 3edge, it is not practical or desirable to acquire a position in such security.

## **Item 17: Voting Client Securities**

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, 3edge has adopted and implemented written policies and procedures governing the voting of client securities. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies"), in a prudent and diligent manner that will serve the applicable Client's best interest and is in line with each Client's investment objectives.

3edge may take into account all relevant factors, as determined by 3EDGE in its discretion, including, without limitation: (i) the impact on the value of the securities or instruments owned by the relevant Client and the returns on those securities; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices.

3edge may, upon client approval, retain the services of a proxy voting agent to assist in the due diligence process related to making appropriate proxy voting decisions related to all accounts and to ensure 3edge's voting instructions are effectively carried out.

In limited circumstances, 3edge may refrain from voting Proxies where it believes that voting would be inappropriate, taking into consideration the cost of voting the Proxies and the anticipated benefit to its Clients, such as when it anticipates holding the securities for a very short period of time (that happens to fall on the applicable voting record date). Generally, investors and the Private Fund may not direct 3edge to vote in a particular solicitation.

Conflicts of interest may arise between the interests of the Client on the one hand and 3edge or its affiliates on the other hand. If 3edge determines that it may have, or is perceived to have, a conflict of interest when voting Proxies, 3edge will vote in accordance with its proxy voting policies and procedures. A copy of 3edge's proxy voting policies and procedures and/or its proxy voting record will be made available to Clients upon request.

## **Item 18: Financial Information**

A balance sheet is not required to be provided as 3edge (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to

meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.