



## **Tuttle Tactical Management, LLC**

155 Lockwood Road  
Riverside, CT 06878  
888-723-2821  
Phone: 347-852-0548  
[www.tuttletactical.com](http://www.tuttletactical.com)

March 27, 2019

### **FORM ADV PART 2A BROCHURE**

This Form ADV Part 2A Brochure (“Brochure”) provides information about the qualifications and business practices of Tuttle Tactical Management, LLC. If you have any questions about the contents of this brochure, please contact us at [TTM@Cipperman.com](mailto:TTM@Cipperman.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC does not imply that Tuttle Tactical Management, LLC or any individual providing investment advisory services on behalf of Tuttle Tactical Management, LLC possess a certain level of skill or training.

Additional information about Tuttle Tactical Management, LLC also is available on the SEC’s website at [www.adviser.sec.gov](http://www.adviser.sec.gov).

## Item 2 – Material Changes

This item discusses specific material changes to the Tuttle Tactical Management, LLC (“TTM”) disclosure brochure (“Brochure”). This Brochure, dated March 29, 2019, reflects the following changes occurring since TTM’s last annual update on March 31, 2018:

- Matthew Tuttle no longer operates an affiliated registered investment advisor, Tuttle Wealth Management, LLC (“TWM”) and TTM no longer has any financial industry affiliations to disclose;
- Matthew Tuttle is no longer an Investment Advisor Representative and CIO of the Tactical Investment Program of Belpointe Asset Management, LLC.
- TTM has ceased to provide sub-advisory services to the Tactical Investment Program sponsored by Belpointe Asset Management, LLC’s;
- Certain Investment Strategies and ETFs are no longer utilized;
- TTM no longer debits client accounts directly for fees;
- TTM has installed a new Chief Compliance Officer; and
- Our Regulatory Assets Under Management has been updated as of December 31, 2018.

Pursuant to current SEC Rules, Tuttle Tactical Management, LLC will ensure that clients receive a summary of any materials changes to this and subsequent disclosure brochures within 120 days of the close of the firm’s fiscal year which occurs at the end of the calendar year.

Tuttle Tactical Management, LLC may further provide other ongoing disclosure information about material changes as necessary. Tuttle Tactical Management, LLC will also provide clients with a new disclosure brochure as necessary based on changes or new information, at any time, without charge.

## Item 3 – Table of Contents

<b>Item 2 – Material Changes .....</b>	<b>2</b>
<b>Item 3 – Table of Contents .....</b>	<b>3</b>
<b>Item 4 – Advisory Business .....</b>	<b>4</b>
<b>Item 5 – Fees and Compensation .....</b>	<b>6</b>
<b>Item 6 – Performance-Based Fees and Side-By-Side Management.....</b>	<b>10</b>
<b>Item 7 – Types of Clients .....</b>	<b>11</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>12</b>
<b>Item 9 – Disciplinary History .....</b>	<b>22</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations .....</b>	<b>23</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ...</b>	<b>24</b>
<b>Item 12 – Brokerage Practices .....</b>	<b>26</b>
<b>Item 13 – Review of Accounts .....</b>	<b>32</b>
<b>Item 14 – Client Referrals and Other Compensation .....</b>	<b>34</b>
<b>Item 15 – Custody .....</b>	<b>35</b>
<b>Item 16 – Investment Discretion .....</b>	<b>36</b>
<b>Item 17 – Voting Client Securities .....</b>	<b>37</b>
<b>Item 18 – Financial Information .....</b>	<b>39</b>

## Item 4 – Advisory Business

### **A. The Company**

Tuttle Tactical Management, LLC is a privately held limited liability company organized under the laws of Delaware that has been registered with the SEC since August 2012. Throughout this disclosure brochure (“Brochure”), Tuttle Tactical Management, LLC is referred hereafter to as “TTM”, the “Adviser or the “Firm”. Matthew B. Tuttle is the founder and owner of TTM and, as such, the Adviser and its operations are solely under his control.

### **B. Advisory Services**

TTM offers discretionary investment management services directly to clients through an investment advisory arrangement with other registered investment advisers and to other financial professionals through a sub-advisory arrangement. As of December 31, 2018, TTM has a total amount of regulatory assets under management of approximately \$589,467,428, all of which, is managed on a discretionary basis.

TTM creates specialized tactical strategy portfolios that primarily utilize individual equities and exchange traded funds. The firm’s tactical strategy programs range from conservative to aggressive and take an active approach to investing in a number of different stock and bond markets. Please see Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss – for a more in-depth discussion of TTM’s tactical strategy programs.

#### *Sub-Advisory Services*

TTM offers sub-advisory investment management services to SEC and state-registered investment advisers, financial planning firms, broker-dealers, banks and other financial institutions (the “primary adviser”) that maintain ongoing relationships with clients. When these arrangements exist, TTM will enter into an agreement with the primary adviser to provide investment management services to the clients it accepts from those firms (the “sub- advisory client”). TTM reserves the right, in its sole and absolute discretion, to not accept a client account under a sub-advisory arrangement.

Under the sub-advisory arrangement, the primary adviser remains responsible for determining sub-advisory clients' investment objectives and whether one or more of the firm's tactical strategy programs are suitable to meet such investment objectives. TTM is responsible for the discretionary management of the assets which the primary adviser has instructed be invested in one or more of the firm's tactical strategy programs. Each tactical strategy program is designed to achieve particular investment goals. Accordingly, the tactical strategy programs are not tailored to accommodate the needs or objectives of specific clients, but rather, are designed to enable the primary adviser to match clients with a tactical strategy that is consistent with their investment goals and objectives.

#### *Services Limited to Specific Types of Investments*

TTM generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, exchange-traded funds (ETFs), real estate, hedge funds, Real Estate Investment Trusts ("REITs"), insurance products including annuities, private placements, and securities issues by the U.S. government or agencies thereunder. TTM may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

#### *Sub-Advisory Services*

Due to the nature of the tactical strategy programs, which can invest in a number of different securities and security types at any time, the primary investment adviser will not be able to impose restrictions on TTM's management of the tactical strategies. However, because TTM also offers customized tactical strategy programs as an investment option, the primary investment adviser may request that TTM develop a customized tactical strategy portfolio that takes into account certain reasonable restrictions or limitations. A restriction or limitation request will not be honored if it is fundamentally inconsistent with TTM's investment philosophy. It is in TTM's sole and absolute discretion whether or not to accept such restrictions or limitations.

## Item 5 – Fees and Compensation

### **A. Advisory Fee**

TTM services as primary investment adviser to both the Trend Aggregation Growth Fund (“TRAGX”) and the Trend Aggregation Dividend & Income Fund (“TRDVX”). TTM, as the adviser to these funds, tends to acquire a larger percentage of the management fee and other associated expenses for its services so has a conflict of interest to recommend these funds over other suitable choices to its clients who, in turn, may recommend subsequently to their institutional or retail customers. TTM receives a management fee of 1.00% for advisory services in connection to both TRAGX and TRDVX as of December 31, 2018. For more information about TRAGX and TRDVX, you may refer to each of the Fund’s prospectus and other information online at <http://tuttlefunds.com>. Alternatively, you can also get this information at no cost by calling 888-723-2821, emailing [info@tuttlefunds.com](mailto:info@tuttlefunds.com), or by asking any financial intermediary that offers shares of the Funds.

### **B. Sub-Advisory Fees**

TTM, in addition to serving as primary investment adviser to TRAGX and TRDVX, also serves as a sub-adviser for other investments, including, the following investment companies where another SEC registered investment adviser, Rational Advisors, Inc. (“Rational Advisors”), serves as the primary investment adviser: Strategy Shares EcoLogical Strategy ETF (“HECO”), US Market Rotation Strategy ETF (“HUSE”), and Rational Trend Aggregation VA, (i.e., a variable insurance product subaccount) which TTM receives a portion of the management fees of 0.60%, 0.60%, and 0.75% as of December 31, 2018. TRAGX, TRDVX, HECO, HUSE, and the Rational Trend Aggregation VA (collectively, “registered investment companies” or “RICs”) comprise the investment offerings that TTM is adviser or sub-adviser other than separately managed accounts (“SMAs”) which are described herein also.

For details about the fees and expenses associated with these RICs, you may consult the available information on Rational Advisor’s website at [www.strategysharesetfs.com](http://www.strategysharesetfs.com) and <http://rationalvafunds.com/#funds>.

Furthermore, TTM provides discretionary subadvisory investment management services to SEC and state-registered investment advisers, financial planning firms, broker-dealers, banks, and other financial institutions. The fees for which TTM is compensated by the primary investment adviser for its sub-advisory services varies and more details can be found in the prospectus or offering documents that describe the fees and expenses associated with the investment.

### **C. Payment of Fees**

TTM does not deduct any fees directly. For TRAGX and TRADX, the fund's custodian, Gemini Trust Company ("Gemini") deducts applicable fees on TTM's behalf and pays the Adviser. For HECO, HUSE, and the Rational Trend Aggregation VA, the primary investment adviser's custodian deducts applicable fees on behalf of the interested parties (e.g., adviser, sub-adviser, etc.) including TTM.

If, however, an investor in a separately managed account ("SMA") managed by an investment adviser, including investment advisers that partner with TTM to provide sub-advisory services to its clients, the attendant fees will be deducted by the custodian or broker-dealer of that primary investment adviser.

### **D. Additional Fees and Expenses**

#### *Fees Attendant to Mutual Funds, ETFs and Variable Product Subaccounts*

Fees attendant to the RICs that TTM serves as the primary investment adviser or sub-adviser have specific fees (including expenses) charged to the investments made by shareholders or investors of these RICs incur (regardless of whether these investments are held directly or as part of a SMA portfolio). The complete listing of these fees and expenses are described in the prospectus for the specific RICs which are available typically through an investor's financial professional or directly from the RIC-sponsored website. For its part, TTM will receive a portion of the management fee as remuneration for furnishing services to the RICs. TTM, however, will not receive a portion of the SMA fee charged to clients as remuneration for its services provided to the RICs. For example, if a third party SMA adviser selects HUSE as an ETF for a suitable client's portfolio, TTM will

receive its established portion of the management fee but no portion of the fee percentage assessed by that SMA adviser to the client's portfolio assets. This process removes a potential conflict of interest in which TTM would be able to receive additional remuneration by recommending RICs in an SMA for which it is acting as a sub-adviser.

To the extent that client assets are invested in money market funds or cash alternatives, the fees for monitoring those assets are in addition to the fees included in the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund's prospectus. Accordingly, a client should review both the fees charged by the RICs and the fees charged by their SMA adviser or investment professions to fully understand the total amount of fees to be paid by the investor and to evaluate the advisory services being provided to them.

#### *Custodian, Trading, and Other Costs*

All fees paid to TTM for investment advisory services are separate and distinct from transaction fees charged by broker dealers associated with the purchase and sale of equity securities and options. In addition, fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Please see Item 12 - Brokerage Practices of this disclosure brochure for additional information.

### **E. Termination and Refunds**

Either TTM or the primary investment adviser may terminate the investment agreement upon thirty (30) days prior written notice to the other party.

### **F. Important Additional Information**

#### *Fees Negotiable*

TTM, in its sole and absolute discretion, retains the right to modify sub-advisory fees for the SMAs it serves as sub-adviser, and may do so on a client-by-client basis based on the size, complexity and nature of the advisory services provided. As a general standard, TTM is subject to the fee schedule outlined in the sub-advisory agreement made with the primary investment adviser



and, for example, would not be able to deviate significantly insofar as

### *Cash Management*

Cash balances in client accounts are invested in cash alternatives including money market mutual funds. These cash balances are included in the account market value for the computation of the investment management fee. TTM will maintain cash balances to meet foreseeable short-term client cash needs, as a temporary repository pending investment in other securities, or as a defensive position when market conditions are considered adverse.

## Item 6 – Performance-Based Fees and Side-By-Side Management

TTM does not accept performance-based fees nor engage in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account and are available to investors meeting established criteria (i.e. "qualified clients"). The Adviser's fees are calculated as described above in Item 5 - Fees and Compensation - and are not charged on the basis of a share of the capital gains upon, or capital appreciation of, the funds in a client's account.

## Item 7 – Types of Clients

TTM provides investment management services through a sub-advisory arrangement with other SEC and state-registered investment advisers to: individuals (including high net worth individuals), pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other types of business entities.

TTM provides Sub-Advisory Services to SEC or state-registered investment advisers, financial planning firms, broker-dealers, banks and other financial institutions that maintain ongoing relationships with clients.

### **Engaging the Services of TTM**

#### *Sub-Advisory Services*

All financial institutions, including SEC and state-registered investment advisers, must first execute a sub-advisory agreement that provides TTM with the authority to invest all or some of the sub-advisory client's assets in one or more of the Adviser's tactical strategy programs.

### **Conditions for Managing Accounts**

#### *Sub-Advisory Services*

There is no minimum account size for new or existing Sub-Advisory Services clients. However, TTM reserves the right to refuse any account for any reason at its sole discretion.

## **A. Methods of Analysis and Investment Strategies**

### Security Analysis

TTM's security analysis methods may include, technical analysis, cyclical analysis and the use of technical trading models.

#### *Technical Analysis*

Technical analysis involves the examination of past market data rather than specific company data in determining which securities to buy/sell. Technical analysis may involve the use of various quantitative-based calculations, variation metrics and charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of a company. These trends may include put/call ratios, pricing trends, moving averages, volume, and changes in volume, among many others. These trends, both short and long-term, are used for determining specific trade entry and exit points and broad economic analysis.

#### *Cyclical Analysis*

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (e.g., the entire market/economy) or micro (e.g., company specific) level, rather than the overall fundamental analysis of the health of a particular company. Cyclical analysis involves the historical patterns and trends of securities, markets or economies as a whole in an effort to determine future behaviors, the estimation of price movement and an evaluation of a transaction before entry into the market in terms of risk and profit potential.

#### *Technical Trading Models*

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models attempt to identify when markets are

likely to increase or decrease and identify appropriate entry and exit points.

### Investment Strategies

TTM's strategies include the following specific models:

#### Managed solely by TTM:

TTM Fixed Strategy

TTM Growth Strategy

### Mutual Funds

Trend Aggregation Growth Fund ("TRAGX")

Trend Aggregation Dividend & Income Fund ("TRDVX")

### Exchange Traded Funds

US Market Rotation Strategy ETF – Symbol: HUSE

Strategy Shares EcoLogical Strategy ETF – Symbol: HECO

### Variable Insurance/Annuity Subaccount

Rational Trend Aggregation VA

### *Tactical Asset Allocation*

Tactical Asset Allocation is about staying in harmony with market trends and countertrends. TTM seeks to invest in an asset once it has entered an uptrend and exit once it has entered a downtrend. TTM's approach involves using different methodologies - relative strength/momentum, countertrend analysis, inter-market analysis and different time frames (daily, weekly, monthly, etc.). Tactical asset allocation is an active management strategy that allows TTM to seek extra value by rebalancing the percentage of assets held in various categories to take advantage of strong market sectors.

TTM creates specialized tactical strategy portfolios that primarily utilize stocks, diversified baskets of exchange traded funds (ETFs), and index mutual funds (i.e., funds that track an index such as the S & P 500 Index). Portfolios can also include individual equity securities at the discretion of the portfolio manager. TTM may also customize tactical portfolios to fit the unique needs and situation of individual clients. TTM selects funds and securities for the tactical strategy portfolios that TTM believes are most suitable and consistent with the tactical investment philosophy of the firm.

TTM's tactical strategies are designed with four key guiding principles:

1. Protect and respect client's capital;
2. Recognize major market trends;
3. Make changes in portfolio allocations only when major market trends so dictate; and
4. Adjust to changing market conditions.

TTM may utilize different investment strategies based upon the specific tactical strategy or strategies involved, which include long-term purchases, short-term purchases, trading and option writing.

### *Tactical Strategy Models*

TTM's Tactical Strategy Models range from conservative to aggressive and take an active approach to investing in a number of different stock and bond markets. A client's portfolio will often consist of multiple tactical strategies.

### Sources of Information

In conducting its security analysis, TTM may utilize the following sources of information: financial newspapers and magazines, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the U.S. Securities and Exchange Commission, data services, and company press releases.

### Investing Involves Risk

Investing in securities involves risk of loss that each client should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

*Market Risk.* The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.

*Management Risk.* A client's portfolio is subject to management risk because it is actively managed by TTM's investment professionals. TTM will apply its investment techniques and risk analysis in making investment decisions for a client's portfolio, but there is no guarantee that these techniques and TTM's judgment will produce the intended results.

*Quantitative Tools Risk.* Some of TTM's investment techniques may incorporate, or rely upon, quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks or otherwise produce the intended results.

*Interest Rate Risk.* Changes in interest rates will affect the value of a portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed income securities with longer maturities or durations.

*Credit Risk.* An issuer, obligor or guarantor of a fixed income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.

*Allocation Risk.* The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, a client's portfolio may incur significant losses.

*Foreign (Non-U.S.) Risk.* A portfolio's investments in securities of non-U.S. (or foreign) issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.

*Emerging Markets Risk.* Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries. Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.

*Currency Risk.* Fluctuations in currency exchange rates may negatively affect the value of a portfolio's investments or reduce its returns.

*Derivatives Risk.* Certain strategies involve the use of derivatives to create market exposure. Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses for a client's portfolio and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, a portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so.

*Capitalization Risk.* Investments in small- and mid-capitalization companies may be more



volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.

*Liquidity Risk.* Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing TTM from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk.

*Issuer Specific Risk.* The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

*Concentrated Portfolios Risk.* Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investments. Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance than dramatic price swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance than a more broadly diversified portfolio.

*Legal or Legislative Risk.* Legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.

*Use of Leverage.* Some of the strategies can utilize levered index products. Leveraged ETFs are considered risky. The use of leverage strategies by a fund increases the risk to the fund and magnifies gains or losses on the investment. You could incur significant losses even if the long-term performance of the underlying index showed a gain. Most leveraged ETFs "reset" daily. Due to the effect of compounding, their performance over longer periods of time can differ

significantly from the performance of their underlying index or benchmark during the same period of time.

#### *A. Risks Associated with Investment Strategies and Methods of Analysis*

TTM's securities analysis methods rely on the assumption that the companies whose securities the firm purchases and sells, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While the firm is alert to indications that data may be incorrect, there is always the risk that TTM's analysis may be compromised by inaccurate or misleading information.

#### *Technical Analysis*

The primary risk in using technical analysis is that spotting historical trends may not help predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that TTM will be able to accurately predict such a reoccurrence.

#### *Cyclical Analysis*

The primary risk of cyclical analysis is that economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore, there is an attendant difficulty in predicting economic trends. Consequently, the changing value of securities that would be affected by these changing trends more than a more broadly diversified portfolio.

#### *Technical Trading Models*

The primary risk of technical trading models is that historical trends and past performance cannot predict future trends and there is no assurance that the mathematical algorithms employed are designed properly, are updated with new data or updated in a timely manner, or can accurately predict future market, industry and sector performance.

*B. Risks Associated with Specific Securities Utilized*

**Equity Securities:** The major risks associated with investing in equity securities relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk and the company's ability to create shareholder value (e.g., increase the value of the company's stock price).

**Exchange Traded Funds:** ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that when shares are sold they may be worth more or less than their original cost. ETF shares are bought and sold at market price (not Net Asset Value) and are not individually redeemed from the fund.

**Equity Mutual Funds:** The major risks associated with investing in equity mutual funds is similar to the risks associated with investing directly in equity securities, including market risk, which is the risk that investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Other risks include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold their shares in the fund.

**Money Market Funds:** You could lose money by investing in the Fund. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or other government agency. The Fund's sponsor has no obligation to provide support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

**Fixed Income Mutual Funds:** In addition to the risks associated with investing in equity mutual funds, fixed income mutual funds also carry the following risks: (1) Credit Risk – the risk that a

company or bond issuer may fail to pay principal and interest payments in a timely manner; (2) Interest Rate Risk – the risk that the market value of the bonds will go down when interest rates rise; and (3) Prepayment Risk – the risk that a bond will be paid off early.

**Indexed Funds:** Indexed Funds have the potential to be affected by “tracking error risk” which means a deviation from a stated benchmark index. Since the core of a portfolio may attempt to closely replicate a benchmark, the source of the tracking error (deviation) may come from a “sample index” that may not closely align the benchmark. In addition, while many index mutual funds are known for their potential tax efficiency and higher “qualified dividend income” (QDI) percentages, there are assets classes within these funds or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of a fund’s portfolio, may be considered “non-qualified” under certain tax code provisions.

**Options:** There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

**Alternative Investments:** The performance of alternative investments (e.g., commodities, futures, hedge funds; funds of hedge funds, private equity or other types of limited partnerships) can be volatile. Alternative investments generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in the offering documents of each specific alternative investment. Due to the speculative nature of alternative investments a client must satisfy certain income or net worth standards prior to investing.

### *C. Additional Risks*

#### **Frequent Trading and Investment Performance**

TTM's tactical strategies are actively managed in a daily basis and frequent trading may occur. Strategies involving frequent trading of securities can affect investment performance through increased brokerage and other transaction costs and taxes.

### Concentrated Portfolios

Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance, than a more broadly diversified portfolio.

### Use of Leverage

Some of the strategies can utilize levered index products. Leveraged ETFs are considered risky. The use of leverage strategies by a fund increases the risk to the fund and magnifies gains or losses on the investment. You could incur significant losses even if the long-term performance of the underlying index showed a gain. Most leveraged ETFs "reset" daily. Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time.

*Note: There may be other circumstances not described here that could adversely affect a client's investment and prevent their portfolio from reaching its objective.*

## Item 9 – Disciplinary History

TTM is required to disclose any legal or disciplinary events that are material to a client's or a prospective client's evaluation of the firm's advisory business or the integrity of TTM's management. Neither TTM nor its management personnel have any reportable disciplinary history.

## Item 10 – Other Financial Industry Activities and Affiliations

### **A. Broker-Dealer Registration and Registered Representatives**

TTM is not registered as broker or dealer nor are any of its representatives registered as broker agents with any state. TTM, moreover, does not have an application pending to register, as a broker-dealer. No management person is registered, nor does any management person have an application pending to register, as a registered representative of a broker-dealer.

### **B. Futures and Commodity Registration**

TTM is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

### **C. Financial Industry Affiliations**

TTM does not have any financial Industry affiliations to disclose.

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

### **Code of Ethics**

TTM has adopted a Code of Ethics to prevent violations of federal securities laws. TTM's Code of Ethics is predicated on the principle that TTM owes a fiduciary duty to its clients. Accordingly, TTM expects all employees to act with honesty, integrity and professionalism and to adhere to federal securities laws. All officers, managers, members and employees of TTM and any other person who provides advice on behalf of TTM and is subject to TTM's control and supervision are required to adhere to the Code of Ethics. At all times, TTM and its employees must (i) place client interests ahead of TTM's; (ii) engage in personal investing that is in full compliance with TTM's Code of Ethics; and (iii) avoid taking advantage of their position. A copy of TTM's Code of Ethics is available to any client or prospective client upon request. For a copy, please contact TTM's Chief Compliance Officer at [TTM@Cipperman.com](mailto:TTM@Cipperman.com).

### **Recommendations Involving Material Financial Interest**

TTM and Matthew Tuttle has a material financial interest in both the Trend Aggregation Growth Fund ("TRAGX") and the Trend Aggregation Dividend & Income Fund ("TRDVX"). TTM, as the adviser to these funds would ultimately receive a higher percentage of the overall management fee which would equate to more remuneration for the Adviser in comparison to other similar investments that the Adviser manages or sub-advises. Additionally, TTM and Mr. Tuttle maintain a material financial interest in U.S. Market Rotation Strategy ("HUSE") and Strategy Shares EcoLogical Strategy ETF ("HECO"). TTM, in its capacity of sub-advisor to the HECO and HUSE ETFs and the Rational Trend VA sub-account will receive approximately half of the entire management fees for its advisory services in connection to these ETFs. As such, these investment products present a conflict of interest since TTM or Matthew Tuttle may receive more compensation than from other comparable investments. TTM always acts in the best interest of the client consistent with its fiduciary duties and clients are not required to invest in such investments.

### **Prohibition on Use of Insider Information**



TTM has also adopted policies and procedures to prevent the misuse of “insider” information. A copy of TTM’s Insider Trading policies and procedures is available to any client or prospective client upon request. For a copy of TTM’s Insider Trading policies and procedures, please contact TTM’s Chief Compliance Officer at [TTM@Cipperman.com](mailto:TTM@Cipperman.com).

### **Participation or Interest in Client Transactions**

TTM or individuals associated with TTM may buy, sell, or hold in their personal accounts the same securities that TTM recommends to its clients and in accordance with TTM’s internal compliance procedures such trades will only occur simultaneously with or after trades placed on behalf of clients. To minimize conflicts of interest, and to maintain the fiduciary responsibility TTM has for its clients, TTM has established the following policy: An officer, director, or employee of TTM shall not buy or sell securities for a personal portfolio when the decision to purchase is derived by reason of their employment with TTM, unless the information is also available to the investing public as a whole. No person associated with TTM shall prefer his or her own interest to that of any client. Personal trades in securities being purchased or sold for clients may only be made simultaneously with or after trades are made for clients. TTM personnel may not anticipate trades to be placed for clients.

## **A. Brokerage Selection**

### *Sub-Advisory Services*

Depending upon whether TTM is the sub-adviser for a registered investment company (“RICs”) or separately managed account (“SMA”) will determine whether TTM has the authority to select broker-dealers for execution services. The sub-advisory services performance by TTM are effectuated pursuant to a sub-advisory agreement. Whereupon TTM is the sub-adviser to a RIC, it has discretion to select the broker to provide execution services for a particular transaction. In circumstances where TTM is the sub-adviser to a SMA, TTM is required to use the broker-dealer/custodian indicated by the primary investment adviser.

TTM, regardless of whether advising a RIC or SMA, has the responsibility to for best execution. In this regard, the Adviser has implemented policies and procedures concerning evaluation of broker-dealer best execution evaluation and will review execution quality, disciplinary records, and other criteria on a quarterly basis at minimum. While TTM would need approval from the primary investment adviser of the SMAs it serves as sub-adviser to add or remove brokers, TTM has sole discretion to make such determinations in the course of sub-adviser to RICs.

## **B. Directed Brokerage**

### *Sub-Advisory Services*

As noted above, TTM, under a Sub-advisory Arrangement for a RIC is permitted to select the brokers or dealers for brokerage transactions and custodial services whereas that authority is given to the primary investment adviser in situations where TTM is fulfilling sub-advisory services for SMAs.

## **C. Trade Aggregation/Allocation**

It is the objective of TTM to provide a means of allocating trading and investment opportunities

between advisory clients on a fair and equitable basis and in compliance with all applicable state and federal guidelines. With respect to clients' accounts with substantially similar investment objectives and policies, TTM may often seek to purchase or sell a particular security in each account. TTM will aggregate orders only when such aggregation is consistent with TTM's duty to seek best execution and is consistent with the investment objective of each client. No client account will be unfairly favored over any other account. Each client that participates in an aggregated order will participate based on the average execution price in that particular security. All securities purchased or sold, whether the order is filled completely or partially, will then be allocated pro rata based on the assets of each account.

#### **D. Trade Errors**

Trade errors are reported promptly upon detection to the custodian and will be rectified with no adverse financial effect on the client.

#### **E. Research/Soft Dollar Benefits**

TTM selects the brokerage and custodial services for its clients in circumstances where it is the primary investment adviser or sub-adviser to RICs whereas, in connection to SMAs that TTM is the sub-adviser, that authority rests with the primary investment adviser. As a consequence, TTM will consider soft-dollar transactions where it is adviser or sub-adviser to a RICs only, as such transactions are not utilized in connection to the SMAs that TTM is the sub-adviser for the reasons explained. As way of background, soft-dollar benefits are a type of arrangement where an adviser (or sub-adviser) effectuates with one or more broker-dealers whereby it receives some economic benefit in exchange for directing client transactions to that broker-dealer. These economic benefits can be paid for with what are commonly referred to as "soft dollar" and are referred to as "soft dollar benefits". TTM will engage only in soft-dollar arrangements that are in keeping with the "safe harbor" elements of Section 28(e) of the Securities Exchange Act of the 1934 ("SEA").

The Adviser has implemented policies and procedures for soft dollar benefits that, as noted, are consistent with the parameters the SEA and, more specifically, with the eligible products covered

in SEC guidance including the 2006 “Commission Guidance Regarding Client Commission Practices Under Section 28(e).”

As a first step, TTM will consider soft dollar benefits for RICs it is the Adviser or Sub-Adviser on a transaction-by-transaction basis. If TTM determines to execute a transaction accompanied with a soft-dollar benefit (“Soft Dollar Trade”), then the RIC(s) will be charged a higher commission per share for the Soft Dollar Trade (usually ranging from ½ cent to 1 cent per share). The differential between a Soft Dollar Trade and non-Soft Dollar Trade (which refers to a transaction executed by a broker without any soft dollar benefit), which are commonly referred to as soft dollar commissions, are primarily held in an earmarked account at the brokerage firm used as an aggregator to collect monies. The Adviser does not have a contractual arrangement with the broker-dealers in connection to soft dollar transactions but has adopted and implemented the practices described herein.

TTM has an account earmarked at Virtu Financial, which as formerly Investment Technology Group, Inc. (“ITG”) to deposit monies stemming from soft dollar transactions and to pay vendors for eligible products or services but does not have direct custody of the account or ability to withdraw monies.

TradeStation Securities Inc. (“TradeStation Securities”) will offset associated costs with the use of eligible products or services (e.g., TradeStation Analysis Platform & Data) that are furnished by a brokerage firm called TradeStation Securities at no cost to the Adviser. To do so, TradeStation Securities will receive the total commission amount generated by TTM through trade executions that the Adviser facilitates through their broker-dealer. Next, TradeStation Securities will tabulate what the Adviser owes them for the TradeStation Analysis Platform & Data system (currently the only eligible product or service TTM leverages from TradeStation Securities) and, in turn, extract approximately 50% of the commissions generated through their brokerage firm by the Adviser to apply it to TTM’s bill.

To reiterate, TTM makes the decision as to whether to execute transactions that garner soft dollar benefits on a trade-by-trade basis based on the best interests of the client. Further, the Adviser and is not required to meet an established threshold of trading activity with any broker-dealer nor would accept such arrangement as it views such terms as detrimental to its clients.

To conduct oversight of the soft dollar benefits acquired by TTM, the Adviser's Brokerage Committee will meet on a quarterly basis to review expenditures associated with the soft dollars expenditures for the previous quarter and make a decision as to whether they expenditures fall within the Section 28(e) "safe harbor" guidelines articulated by the SEC and TTM's policies. The Brokerage Committee will take steps to ensure any expenditures that are mixed use research (meaning some monies spent met the safe harbor guidelines whereas other monies spent did not) are allocated properly. The Brokerage Committee will render any and all determinations for whether the soft dollars can be used to purchase products or acquire services and remain within the safe harbor guideline so Section 28(e) and to what extent, if any, any of the soft dollars benefits fall into the mixed-use category. If the Brokerage Committee approves the Adviser's request to use the available soft dollars to purchase eligible products or services, then the Adviser will send a formal request to Virtu Financial who, in turn, will review the request. Upon completing their review, Virtu Financial will facilitate payment to the external vendor or bill the Adviser directly to acquire the product or service that TTM has selected.

For the RICs that TTM is Adviser or Sub-Adviser, each broker-dealer selected is registered with the SEC and member of Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Similarly, the recommended Custodian(s) is a securities broker-dealer and a member, too, of FINRA and the SIPC. The Adviser believes that the selected brokerage firms and custodians provides quality execution services for its clients at competitive prices.

TTM, in addition to the policies described above, has adopted additional guidelines as outlined below. To this end, TTM's selection of broker-dealers, concentrates its decision-making authority on those broker-dealers with whom the Adviser has a reasonable basis to know will provide superior execution services for a particular transaction (as TTM determines which brokerage firm to use on a transactional basis) based on the characteristics of the particular security and expertise of the broker itself. In making determinations as to what broker to select, TTM does not typically factor in ancillary issues, such as research or additional brokerage products and services, that may be furnished from that specific broker-dealer.

Upon receipt of these additional brokerage products and services (or "eligible products" as

previously noted) are considered to have been paid for with "soft dollars." Because such services could be considered to provide a benefit to our firm, we have a conflict of interest in directing your brokerage business. The Adviser could receive benefits by selecting a particular broker-dealer to execute your transactions, and the transaction compensation charged by that broker-dealer might not be the lowest compensation we might otherwise be able to negotiate.

These broker-dealers may also make available to TTM other products and services that benefit TTM but may not benefit its clients' accounts. Some of these other products and services assist TTM in managing and administering clients' accounts. These include software and other technology that: provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of TTM's fees from its clients' accounts; and assist with back-office support, record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of TTM's accounts, including accounts not maintained at the specific broker-dealer that is offering this particular service.

These broker-dealers may also provide TTM with other services intended to help TTM manage and further develop its business enterprise. These services may include consulting, publications, conferences and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, these broker-dealers may make available, arrange and/or pay for these types of services to TTM by independent third parties. These broker-dealers may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to TTM.

While as a fiduciary TTM endeavors to act in its clients' best interests, TTM's approved broker list which include those broker-dealers in which the Adviser has a soft dollar benefit arrangement, does benefit the Adviser to gain the availability of some of the foregoing products and services and not solely on the nature cost or quality of custody and brokerage provided by these broker-dealers which may create a conflict of interest. As a result, TTM's Brokerage Committee periodically monitors the soft dollar benefits both in terms of the monies earned through transactions and

products and services obtain such benefits to mitigate conflicts of interest in broker selection and to help ensure adherence to Section 28(e) of the SEA and the related SEC staff guidance .

## Item 13 – Review of Accounts

### *Sub-Advisory Services*

#### **Reviews**

TTM has instituted policies and procedures concerning the review of accounts for which it serves as both primary investment adviser or sub-adviser.

As a general standard, the protocols implemented for oversight of accounts that are registered investment companies (“RICs”) differ in certain aspects from separately managed accounts (“SMAs”).

While the Adviser is continuously monitoring the portfolios at holistic level while concurrently monitoring the underlying securities within each tactical strategy portfolios, the account reviews will result in different action taken by the Adviser, as described herein.

Sub-Adviser to RICs. Where TTM serves as the sub-adviser to RICs, it provides the Boards of Directors with quarterly reporting of its management of those accounts and the account reviews as well as other reporting information.

Sub-Adviser to Separately Managed Accounts (“SMAs”). The primary investment adviser for SMAs that TTM serves as the sub-adviser to SMAs is fully responsible for conducting account reviews for all applicable clients, including, furnishing required reporting information to interested parties.

TTM has a policy to cooperate with the primary investment adviser where possible to help facilitate their account reviews but has no other responsibilities related to the oversight conducted.



Sub-advisory clients should contact their primary financial professional for information on account reviews conducted by the primary investment adviser.

## **Reports**

The primary adviser generally receives reports from TTM as agreed upon in the Sub-Advisory Agreement. Sub-advisory clients should contact their primary adviser for information on reports provided by the primary adviser.

## Item 14 – Client Referrals and Other Compensation

TTM does not receive any economic benefits such as sales awards or other prizes from any non-client for providing investment advisory services to the firm's clients.

### **Client Referrals**

The Adviser does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## Item 15 – Custody

The Adviser does not have custody of client accounts. Sub-Advisory clients should consult the disclosure documents of their primary investment adviser for more information on the primary investment adviser's custody policies and procedures.

## Item 16 – Investment Discretion

### *Sub-Advisory Services*

TTM only provides Sub-Advisory Services on a discretionary basis. The primary adviser is responsible for obtaining the sub-advisory client's written authorization for TTM to have discretion to determine the types and the amounts of securities that are bought or sold.

## **Proxy Voting**

TTM will accept voting authority for client securities in certain cases inclusive of when the Firm serves as the Primary Investment Adviser (“Advisor”). When TTM does accept voting authority for client securities, it will always seek to vote in the best interests of its clients. TTM does not maintain preapproved voting guidelines, but relies on the Adviser’s principal to determine the appropriate course of action in voting client securities that is in the best interest of the client.

While it is possible for clients to direct TTM on how to vote client securities by communicating their wishes in writing or electronically to TTM, such situations are uncommon. When voting client proxies, the Adviser’s principal(s) will always hold the interests of the clients above its/their own interests. TTM will maintain the voting record for proxy voting for not less than five years from the end of the fiscal year during which the record was made, the first two years in the Adviser’s principal office). Requests for the Adviser’s proxy voting records may be sent to TTM’s Chief Compliance Officer at [TTM@Cipperman.com](mailto:TTM@Cipperman.com).

As a matter of practice, proxy votes with respect to most issues are cast in accordance with the position of the company's management. Each issue, however, is considered on its own merits, TTM will not support the position of a company's management in any situation where it determines that the ratification of management's position would adversely affect the investment merits of owning that company's shares.

## *Conflicts of Interest*

TTM will disclose any conflicts of interest to client and obtain client permission to proceed with the vote prior to voting client proxies that involve a conflict of interest.

## *Record Keeping*

Proxy voting records are kept in an easily accessible place for five years, the first two years in the adviser's office. Typical proxy voting records are:

- Proxy voting policies and procedures;
- Each proxy statement that the Firm receives regarding client securities;
- Record of each vote cast by the Adviser on behalf of a client;
- Copies of any client communication directing how the Adviser should vote a particular proxy;
- Any document created by the Adviser that was material to making a decision on how to vote proxies; and
- Written requests from a client for information on how the Adviser voted proxies on behalf of the client, and a copy of any written responses by the Adviser to any client request for information on how the Adviser voted proxies.

## Item 18 – Financial Information

### **A. Prepayment of Fees**

Because the Adviser does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, TTM is not required to include a balance sheet with this Brochure.

### **B. Financial Condition**

TTM does not have any adverse financial conditions to disclose.

### **C. Bankruptcy**

TTM has never been the subject of a bankruptcy petition.