

arta finance

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PART 2A OF FORM ADV: FIRM BROCHURE

December 2, 2024

This brochure provides information about the qualifications and business practices of Arta Finance Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (650) 318-3898 or support@artafinance.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.

Additional information about Arta is also available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC as a registered investment adviser pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act"), does not imply a certain level of skill or training.

ITEM 2 MATERIAL CHANGES

This Item requires us to summarize any material changes to our Form ADV Part 2A since our last annual amendment. We have summarized the following change to the current Form ADV Part 2A below:

- Item 4: Advisory Business – Updated assets under management and descriptions of Arta’s investment products and services.
- Item 8: Method of Analysis, Investment Strategies, and Risk of Loss – Updated to further describe methods of analysis, investment strategies, and certain risk factors pertaining to Arta’s investment products and services.
- Item 15: Custody – Updated to reflect Arta’s authority to deduct advisory fees from client accounts directly.

Since the previous annual filing on March 29, 2024, the Adviser has also made other non-material edits to this brochure.

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ITEM 4 ADVISORY BUSINESS

Arta Finance Wealth Management, LLC (“Arta,” “Adviser,” “Firm”), a Delaware LLC, was established in 2022 with an office in Mountain View, CA. The Firm was previously incorporated as Arbo Works Inc. in 2021 until the current entity was created to house the investment advisory functions of the Firm. The Firm is owned by 8 co-founders as well as several Venture Capital firms, none of whom own 25% or more of the company. As of October 31, 2024, Arta has \$59,112,925 in assets under management, all of which are held in discretionary accounts.

Arta is registered with the SEC under reliance upon the Multi-State Adviser Exemption (Rule 203A-2(d)), as services offered through the Platform are accessible to users across the country. As such, the Adviser is required by the laws of 15 or more states to register as an investment adviser with the state securities authorities in those states.

Arta provides an interactive investment platform (the “Platform”) to its clients. The Platform is accessible through smartphone applications available on the Google Play Store and Apple App Store, as well as through the internet (via web browser). The Platform helps clients reach their financial goals by providing recommendations and investment strategies tailored to each client. Tailored recommendations are provided to clients based on information provided by the client to the adviser at the time of onboarding, and periodically thereafter, such as, but not limited to, the client’s financial situation, investment experience, and investment objectives. While clients may not impose specific restrictions on the investment strategies provided by Arta, certain investment strategies allow for clients to make individual elections pertaining to sector exposure or risk profile. Arta utilizes proprietary algorithms (the “Algorithm”) to manage certain types of investment strategies, as described below, and make tailored investment recommendations. The Platform also allows for clients to meet with Arta’s qualified investment professionals who may make tailored investment recommendations upon client request. Arta currently offers its services to Accredited Investors, Qualified Clients, and Qualified Purchasers, however, in our sole discretion, we may waive such accreditation or qualification requirements. Arta accepts full discretion over client assets for fully managed investment products and also offers products and services on a self-directed basis.

Arta offers clients the opportunity to transact, where applicable, in public and private market products and also provides related services.

Public Market Products

Arta offers a selection of investment products that are managed on a discretionary basis by the Adviser, including products that utilize the Algorithm, as described below in Item 8, that target exposure to varying portions of public markets, including:

- Defensive Growth, which provides exposure to stocks via certain exchange-traded funds (“ETFs”);
- Income Bonds, which provides exposure to various types of bonds via certain ETFs; and
- High-Yield Cash Reserve, which provides exposure to various types of U.S. Treasuries via certain ETFs.
- Traditional robo-investing;
- Direct indexing; and
- Micro-indexes, also known as thematic investing, which enable clients to invest in a specific theme, idea, or belief.

Arta utilizes the Algorithm to perform various portfolio management functions, such as reallocating and rebalancing client portfolios and affecting investment transactions. Certain aspects of the Algorithm utilize Artificial Intelligence (“AI”), specifically Machine Learning (“ML”), to deliver these functions. Clients should refer to Item 8 of this Brochure for details regarding Arta’s use of ML, including material risks associated with such use.

Private Market Products

Arta offers its clients access to private markets through a curated selection of private funds (“Alts” or “Alt Investments”). Investments in Alts are made at the client’s discretion. The Alts available for investment on the Platform include various types that target different portions of the private markets and offer different fund structures. These include, but are not limited to:

- Private Equity;
- Venture Capital;
- Hedge Funds;
- Private Credit; and
- Private Real Estate.

Clients should note that certain Alts available on the Platform are only available for investment for a limited period of time, which Arta has no control over. The third-party fund managers dictate when certain Alts are open or closed for investment.

Alts will only be offered to qualified investors in compliance with applicable rules and regulations.

Derivative Products

Arta offers investment opportunities in certain types of derivative investments via the Platform which are sponsored by third parties. Investments in derivative products are made at the client’s discretion. These investments utilize a variety of types of derivatives and strategies, including, but not limited to:

- Structured Products that are designed by Arta;
- Custom Structured Products; and
- Options-based strategies that utilize publicly traded options, such as puts and calls.

Clients should be aware that investing in derivatives-based products can be complex and carry additional risks in comparison to other products offered by Arta. Clients should refer to Item 8 below and to the relevant disclosures available on the Platform prior to investing.

Arta does not participate in wrap fee programs.

ITEM 5 FEES AND COMPENSATION

Separately Managed Accounts (“SMA”)

Arta will provide clients with a brokerage account held by a qualified custodian for which Arta does not charge fees. However, it should be noted that clients may be charged fees for investments and related services provided by the qualified custodian that Arta does not control.

Clients will be charged fees as described on the schedules below. Fees are typically charged quarterly, in-arrears, and may be waived or discounted at Arta’s sole discretion.

Public Market Investments

Public market investments are offered on the fee schedule shown below. Investors pay an asset-based fee for all public market investments. Specific pricing for the various offerings can also be viewed on the Platform prior to making an investment.

Investment Product	Fee
Robo-investing	0.10%
Micro-indexes	0.10%
Income Bonds	0.20%
High-Yield Cash Reserve	0.20%
Defensive Growth	0.40%
Direct Indexing	0.50%

Alt Investments

Alts offered via the Platform are sponsored by third parties and offered through third-party

platforms or offered directly through the private fund sponsor. Arta charges a fee to its clients for investments in Alts. The Arta fee is typically between 0.50% to 0.90%, but may range up to 1%, of the amount invested or committed capital depending on each specific Alt Investment. Fees based on committed capital are specific to Alts that are structured as drawdown funds. Underlying issuers will charge fees to Arta's clients, which will vary by each Alts Investment. Clients should refer to the underlying Alt Investment's subscription agreements to obtain detailed information regarding fees and expenses charged directly by the underlying issuers.

Derivative Investments

Arta offers investment opportunities in certain types of derivative investments via the Platform which are sponsored by third parties. Arta charges a fee to its clients for such investments. The Arta fee is typically 0.50%, but may range up to 1% of committed capital depending on each specific structured investment. Specific to structured investments, clients should refer to the underlying issuer's prospectus to obtain detailed information regarding fees and expenses charged directly by the underlying issuers.

Arta also offers certain listed options strategies, where the Arta fee is 0.20% of the underlying equity position.

Fees for Investment of Client Assets in Third-Party Mutual Funds, Private Funds, and Other Pooled Investment Vehicles

Arta may invest, or the client may direct investment of, a client's assets in mutual funds (including money market funds or similar short-term investment funds) or other pooled investment vehicles sponsored by third parties, such as hedge funds, venture capital funds, REITs, structured products, exchange-traded notes ("ETNs") and/or ETFs. To the extent that a client's assets are invested in other pooled investment vehicles, the client will also typically pay management and/or other fees (such as performance fees) associated with each such mutual fund or other pooled investment vehicle, as described below. Those fees are described in each mutual fund or other pooled investment vehicles' offering documents (e.g., prospectus or offering memorandum). Such charges, fees, and commissions are exclusive of, and in addition to, Arta's investment advisory fee.

Additional Fees and Expenses Payable by Clients

Clients may incur brokerage commissions, transaction fees, service provider fees, feeder fund expenses, foreign exchange fees, and other related costs and expenses directly from the custodian, issuer, or broker-dealer. Execution of client transactions may require payment of brokerage commissions by clients. "Item 12 – Brokerage Practices" further describes the factors that Arta considers when selecting or recommending broker-dealers for the execution of transactions and determining the reasonableness of their compensation (e.g., commissions). Investment activity may

also involve other transaction fees payable by clients, such as sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, clients may incur certain charges imposed by outside custodians, broker-dealers, and other third parties, such as custodial fees, administrative fees, and transfer agency fees. Arta does not receive any payments from brokers, custodians, or any other third parties relating to its provision of investment advisory services.

Clients whose assets are invested in mutual funds may pay fees, such as various types of shareholder fees and/or annual fund operating fees. Clients should review the prospectus of any fund in which their assets are invested in order to understand the fees that may be applicable to their particular investment.

Arta Referral Program

Arta maintains referral programs that enable it and its clients to provide waivers of Arta fees on investments made through the Platform to existing or new clients. Eligible fee waivers can be applied to certain investments in a client's own account and also can be gifted to other clients. The fee waivers only apply to Arta fees on investment products and do not waive fees levied by underlying security issuers, sponsors, or managers. Arta maintains its referral programs at its sole discretion and may make changes to the programs without notice. The referral programs are subject to certain terms and conditions which can be viewed on Arta's website or upon becoming a client of Arta.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Performance-Based Fees

Arta does not charge performance-based fees and does not offer performance-based pricing.

Side-by-Side Management

Arta's Algorithm and Platform simultaneously manage accounts for various Arta clients, some of whom may have similar investment objectives. The simultaneous management of these different investment accounts could create certain conflicts of interest, for example if the fee structures for the management of certain types of accounts were higher than others. Arta recognizes that it has an affirmative duty to treat all such accounts fairly and equitably over time. Although Arta has a duty to treat all similarly managed accounts fairly and equitably over time, such portfolios will not necessarily be managed the same at all times. Specifically, there is no requirement that Arta uses the same investment practices consistently across all accounts. In general, investment decisions for each client account will be made independently from those of other client accounts, and will be made with specific reference to the individual needs and objectives of each client account. In addition, Arta will not necessarily purchase or sell the same securities at the same time or in the same

proportionate amounts for all eligible accounts, particularly if different accounts have materially different amounts of assets under management or different amounts of investable cash available. As a result, although Arta manages numerous accounts with similar investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account.

ITEM 7 TYPES OF CLIENTS

Arta provides advice to individuals, including joint accounts, trusts, and entities. All investors must be accredited investors at a minimum, as defined by Regulation D. Arta currently requires a minimum account balance of \$500, which may be reduced or waived in the Adviser's sole discretion.

Conditions for Managing Accounts

Arta requires each client to execute an Investment Management Agreement ("IMA") that details the nature of the discretionary investment advisory authority given to Arta, among other items. Arta retains the right to provide investment advisory services only to clients it, in its sole discretion, deems suitable and who have successfully completed the account opening process.

All investments will have issuer-imposed, investment-specific investment minimums and requirements. The specifics of such minimums and requirements can be found on the Platform and in the subscription documents for each such investment.

ITEM 8 METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies and Methods of Analysis

Public Market Investments

Arta's public market investment strategies utilize the Algorithm, including the use of ML, and generally follow the minimum volatility methodology to inform investment decisions, where applicable. The Algorithm seeks to enhance client portfolios in various ways, for example, to minimize risk and volatility, reduce cash drag, and allow for customization of certain investment strategies. In addition, the Algorithm reallocates, rebalances, and affects investment transactions for certain investment strategies with the goal of bringing applicable investment as close to the stated investment objective as possible. Arta's public market investment strategies utilize a wide range of security types that include, but are not limited to, equities, cash and cash equivalents, fixed income securities, and ETFs.

The Algorithm processes a range of data sources to inform portfolio construction, risk analysis, and investment decisions. This includes, but is not limited to, pricing data of publicly traded securities, risk factor models, and other market data such as U.S. Treasury rates. Arta has developed an oversight and governance framework to manage the Algorithm. This framework is designed to ensure the Algorithm is performing in an expected manner and enables Arta to regularly monitor, analyze, and, when possible, improve the Algorithm. In addition, certain safeguards have been implemented by Arta to account for instances where the Algorithm is not performing as expected, which includes, but is not limited to, human intervention by Arta professionals.

Arta presents clients with recommended public market investments, which may be viewed by the client on the Platform or provided by Arta's qualified investment professionals, based on the financial information and investment preferences shared by the client, such as investment objectives, risk tolerance, liquidity needs, and other client preferences, as described above.

Alt Investments

Regarding Alt Investments, Arta relies on the deep expertise of its investment team to provide a curated set of opportunities for its clients to invest. All Alt Investments on the Platform are managed by third parties. Arta's goal is to provide access to Alt Investments that have historically been inaccessible to retail investors, for reasons such as high investment minimums or lack of capacity, and that span a wide range of underlying strategies and fund structures.

Alt Investments are required to be presented by Arta's investment team to an investment committee for approval prior to being added to the Platform. Arta's investment team considers a number of factors when evaluating Alts, including, but not limited to, fund structure, historical performance across prior fund vintages, key person risk, investment philosophy and methodology, fees and expenses charged by the third-party fund manager, as well as potential or actual conflicts of interest. In addition, Arta's investment team performs ongoing due diligence on previously approved Alts no less than annually.

Arta presents clients with recommended Alt Investments, which may be viewed by the client on the Platform or provided by Arta's qualified investment professionals, based on the financial information and investment preferences shared by the client, such as investment objectives, risk tolerance, liquidity needs, and other client preferences, as described above.

Derivative Investments

Regarding structured products, Arta relies on the deep expertise of its investment team and seeks to develop bespoke structured products with optimal structures based on current market dynamics. Depending on current market dynamics, Arta offers a variety of bespoke structured products that

span a range of investment objectives and characteristics such as capital appreciation, income generation, and capital preservation. Considering these structured products are bespoke and designed for current market conditions, they offer a range of return and risk profiles, time horizons, and liquidity constraints.

When designing these structured products, in alignment with the suitability information provided by the client, Arta considers a number of factors, including but not limited to, potential return profile, analysis of the underlying securities, risk factors, and the creditworthiness of the issuers. In instances where a client expresses a desire for a custom structured product, Arta's investment team will take the parameters and investment objective specified by the client, conduct analysis to identify potential investment structures for the client, and once a specific structure has been agreed upon and approved by the client, will conduct an auction with potential issuers to affect the investment.

For options-based strategies, Arta consults directly with clients who are interested in such strategies and relies on the deep expertise of its investment team and preferences expressed by clients, such as investment objectives and risk tolerance, in order to recommend an options strategy tailored to client needs. These strategies can target a wide range of different investment objectives, for example, to address overconcentration or to reduce the impact of market volatility on the applicable client portfolio.

When designing these options-based strategies, Arta considers a number of factors for analysis, including but not limited to, pricing information of the options and associated underlying securities, liquidity profiles, risk factors, and the duration of the applicable options.

Arta presents clients with recommended structured product and options-based investment opportunities, which may be viewed by the client on the Platform or provided by Arta's qualified investment professionals, based on the financial information and investment preferences shared by the client, such as investment objectives, risk tolerance, liquidity needs, and other client preferences, as described above.

Risks

Risk of Loss

All investing and trading activities risk the loss of capital. **Arta cannot guarantee any level of performance or that clients will not incur a loss of capital, including total loss.** The following risks are not meant to be all inclusive, but should be considered prior to engaging Arta for its advisory services.

Technology Risk

Advisers who rely on technology for the delivery of services, known as internet-based investment advisers, offer online investment management services using algorithms and automated processes.

Arta offers algorithmic management of client assets in certain products, as described above.

Lack of Personalized Advice

While Arta receives certain information from clients in order to assess client's risk tolerance and investment goals, the advice provided may not be completely tailored to any particular client's specific financial situation, objectives, or preferences. Personalized advice that considers individual circumstances can be crucial in making appropriate investment decisions.

Artificial Intelligence (AI) Risk

Arta has and will continue to develop or incorporate AI technology, including Machine Learning ("ML"), to provide business products or services. AI technology, in particular AI models, is highly complex and sometimes produces outputs or take actions that are incorrect or inaccurate. There is no guarantee that the use of AI will result in superior performance of any specific investment relative to the market or relevant benchmark. The U.S. state and federal regulatory environment relating to AI is uncertain and rapidly evolving and could require changes to Arta's implementation of AI. Further, for certain use cases, Arta relies on AI technology developed by third parties and has limited visibility into the accuracy and completeness of any outputs provided by such third parties.

Machine Learning (ML) Risk

As described above, Arta utilizes ML for certain portfolio management functions (components of the "Algorithm") relating to its public market investment products. Arta's application of ML may produce suboptimal investment outcomes as a result of Arta's ML models' dependence on:

- Algorithms, which if poorly designed or inadequately tested can result in actions that disadvantage client portfolios or could inadvertently favor certain securities or clients. Clients should understand that testing, no matter how comprehensive, cannot guarantee the absence of code-related issues.;
- Large datasets, which may contain biases or errors that lead to flawed investment decisions, or may become less effective over time as market conditions or data distributions change; and
- Data quality, which may make Arta's ML models behave in unexpected ways if the data ingested by the models is inaccurate, incomplete, or flawed.

Arta reviews the results of trades made using the Algorithm on an ongoing basis, using both daily human review and automatic electronic monitoring for certain triggers, and conducts ongoing testing of them. In certain cases, Arta's human and electronic monitoring systems may result in trading halts or other actions. Arta may not, however, identify every instance in which the Algorithm directs trades inappropriately. Investors may also experience losses based on actions taken by the Algorithm or remedial actions taken by Arta.

Technologies used by the Firm to provide the Algorithm may have their own inherent risks. ML-related

models may not interpret the data provided to them correctly, which may result in “hallucinations” where the model provides inaccurate summaries even though the data provided to the model is accurate and current. Arta’s use of ML relies upon its technology systems functioning properly and a breakdown in such systems could lead to disruptions in Arta’s use of the Algorithm. For example, if Arta experiences a loss of internet or cloud access, that loss could affect Arta’s portfolio management. In addition, although care is taken by Arta to validate, monitor, and test these systems, they carry risks including but not limited to misspecification, inaccurate information, and conflicts of interest that users should be aware of. Further, despite Arta’s monitoring systems, Arta’s deployment of ML carries the risk of a lack of proper oversight and governance to ensure the Algorithm is performing as expected and is monitored, analyzed, and improved, where possible, on a regular basis. As with any technology, it is possible that these tools may not always perform strictly as intended or as disclosed, especially in unusual circumstances.

As described above, some of Arta’s investment strategies include the use of algorithms that perform various functions. While algorithms can be effective tools for decision-making, they are not infallible. They may fail to account for certain market conditions, unexpected events, or changes in investment trends, which could lead to suboptimal investment outcomes. Past performance is not necessarily indicative of future results.

Security Risks

Internet-based and AI-based platforms are vulnerable to technological glitches, system failures, or cyber-attacks that could potentially compromise the security of a client’s personal and financial information. Although Arta has security measures in place, there is always a risk of data breaches or unauthorized access to a client account. In addition, Arta is also exposed to risks arising from the use of AI technologies by bad actors to commit fraud, misappropriate funds, or facilitate cyberattacks.

Software Risk

Arta delivers investment advisory services primarily through its Platform and therefore develops and tests its Platform extensively before putting updates to the Platform into production with client accounts. Additionally, Arta monitors the behaviors of the Platform after deployment. Despite these safeguards, it is possible that the Platform may not always perform exactly as intended or as disclosed, especially in unusual circumstances. For example, there may be occasions where a number of client accounts may not rebalance back to the client’s target asset allocation for extended periods of time, due to certain errors in the deployment of updates to the Platform or related issues. Arta continuously strives to monitor, detect, and correct any issues on its Platform that do not perform as expected or as disclosed.

Overemphasis on Historical Data

Algorithmic trading relies heavily on historical data to make investment recommendations. However, past performance is not always indicative of future results. Economic and market conditions can

change, and over-reliance on historical data may overlook potential risks or fail to identify emerging investment opportunities.

Advisory Risk

There is no guarantee that Arta's algorithm, analysis, or recommendations pertaining to particular securities or strategies will produce the intended results. Arta's judgment may not be correct, and clients may not achieve their investment objectives. In addition, there is a risk that Arta or its clients may experience computer and/or mobile device issues, including equipment or Platform failure, loss of internet access, viruses, or other events that may impair our ability to provide advisory services.

General Market Risk

The price of any security or the value of an entire asset class can decline for a variety of reasons that Arta cannot control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, as well as domestic or foreign political, demographic, or social events.

Financial Institution Risk

An investment with Arta is subject to the risk that one of the Firm's service providers, including banks, brokers, hedging counterparties, lenders, or other custodians of some or all of the Firm's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Arta may not be able to access deposits, borrowing facilities or other services on behalf of its clients for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("FDIC"), in the case of banks, or protected by the Securities Investor Protection Corporation ("SIPC"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss.

Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets. Any Distress Event has a potentially adverse effect on the ability of Arta to manage its client investments, and on the ability of the Firm to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to require Arta to pay fees and expenses in the event the Firm is not able to close a transaction on behalf of its client (whether due to the inability to draw capital on a credit line provided by a

Financial Institution experiencing a Distress Event), as well the inability of the Firm to acquire or dispose of investments at prices that the Firm believes reflect the fair value of such investments. Although Arta expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. Many Financial Institutions require, as a condition to using their services or otherwise, that Arta maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although Arta seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Firm's clients, Arta is under no obligation to use a minimum number of Financial Institutions with respect to any client, or to maintain account balances at or below the relevant insured or protected amounts.

Liquidity Risk

In situations where there is little or no active trading market for certain securities or investments, it may be more difficult to sell them at or near their perceived value, or at any price. When a portfolio holds illiquid investments, the portfolio may be harder to value, especially in changing markets, and if a portfolio is forced to sell these investments to meet redemptions or for other cash needs, the portfolio may suffer a loss. In addition, when illiquidity in the market exists for certain securities, a portfolio may be unable to achieve its desired level of exposure to a certain sector

Alt Investment Risk

Due to the speculative nature of Alts, such investments carry larger general risk, including loss of principal. Additionally, Alt Investments carry other risks such as valuation and lack of liquidity. Clients should carefully review underlying fund documents when considering an investment in any Alt.

Derivative Risk

Committed securities can be called away from the client (i.e., underlying shares can be sold). Selling the underlying stock prior to expiration can result in losses. Derivative trades may produce adverse tax consequences depending on the strategies employed – investors should consult with a tax specialist regarding their unique scenario and circumstances to understand the types of tax obligations that may result from derivative trades. When selling covered options, the client may lose out on potential gains if the underlying asset price moves past the strike price of the option they traded. Purchasing options does not guarantee the client will be protected from loss or that the value of any protection will exceed the premium spent. The market value of a derivatives position may vary for a variety of reasons other than a change in the share price of the underlying asset, including but not limited to volatility, interest rates, dividends, or other unforeseen circumstances.

Equity Securities Generally

The value of equity securities generally varies with the performance of the issuer and movements in the equity markets. Investors in equity securities may lose a substantial portion of their principal.

Large Cap Stock Risk

Large cap companies may underperform other accounts invested in different types of equities, as large cap companies may not experience sustained periods of growth in the mature product markets in which they operate.

Small and Mid Cap Stock Risk

Small and mid cap stocks may have more risk and could underperform securities of larger more established companies because small and mid cap companies may have less revenue, narrower product lines, less management depth, small market share, fewer financial resources, and less competitive strength.

Exchange Traded Funds and Notes Risk

Investing in ETFs or ETNs carry additional risks, such as the risk of not having the same rights as direct shareholders (e.g. voting rights), paying additional or unexpected fees and charges, not being able to choose the investments within the ETF/ETN, the ETF/ETN not tracking its underlying index or asset accurately or consistently, or of facing unfavorable or complex tax consequences.

Fixed Income Risks

Credit and Counterparty Risk

An issuer of bonds or other debt securities, or a counterparty to a derivatives contract, may not be able to meet interest, principal, or settlement payments, or otherwise honor its obligations.

Interest Rate Risk

Fixed-coupon payments (cash flows) of debt securities may become less competitive with the market in periods of rising interest rates and cause debt security prices to decline.

Prepayment Risk

Many bonds and debt securities have call provisions that may result in debtors paying back the debt prior to maturity during periods of decreasing interest rates.

Structured Product Risk

Underlying Asset Risk

The performance of structured products is often linked to underlying assets. If the value of these assets falls, the investment may suffer losses.

Issuer Credit Risk

Structured products are typically built using corporate bonds issued by financial institutions, and as such a client's invested principal is subject to the credit risk of the bond issuer. If the issuer encounters financial difficulties or defaults, investors may face the risk of losing part or all of their investment. Historically, investment-grade bonds carry more risk than US government bonds, but less risk than investing in the stock market.

Limited Liquidity

Many structured products have a holding requirement of multiple years. While it may be possible to withdraw funds before the term is over, liquidity is not guaranteed, and clients may lose principal, depending on market circumstances.

Tax Implications

Any investment income or capital gains received from structured products are taxable. These products have complex tax requirements; Arta does not provide tax advice and Arta always strongly recommends clients speak with their tax advisor to understand tax-related implications on their investments.

Capital Protection Risk

Some structured products may promise capital protection, but the degree of protection can vary. Clients should carefully review the terms to understand the extent of capital protection offered.

Leveraged Instrument Risk

Leveraged instruments are financial instruments that use borrowed money to increase the potential return of an investment. However, they also increase the potential risk of loss. Using leverage can result in a much higher downside risk, sometimes resulting in losses greater than the initial capital investment. Use of leverage may be more expensive than other types of trading due to fees, margin rates, and contract premiums regardless of the success of the trade. Additionally, use of leveraged instruments is generally a more complex strategy to deploy, as trading may require additional capital and time based on portfolio needs. Most notably, volatility drag (also known as volatility tax, beta slippage, value erosion, decay, and other names) makes a long-term investment in leveraged ETFs more exposed to losses than many realize.

Force Majeure

Arta shall not be liable for any failure or delay in performing its obligations under its agreement with the Client or App Terms of Service if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected party ("Force Majeure Event"), including but not limited to acts of God, natural disasters, war, terrorism, riots, strikes, labor disputes, governmental

actions, epidemics, pandemics, or any other events beyond the reasonable control of the parties.

If a Force Majeure Event occurs, Arta will seek to promptly notify the relevant parties in writing, providing details of the event, its impact on performance, and the expected duration of the event. Arta will seek to make reasonable efforts to mitigate the effects of the event and resume performance as soon as practicable.

During the continuance of the Force Majeure Event, the obligations of Arta that are prevented or delayed by the event may be suspended. Arta strives to act in good faith to find alternative methods of performance to accommodate the changed circumstances resulting from the Force Majeure Event.

ITEM 9 DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's evaluation of Arta or the integrity of our management or any employee of our Firm.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Arta's parent company is Arta Finance Inc. Arta's affiliate, Arta Finance Securities LLC, has a pending new membership application to register as a broker-dealer with the SEC and Financial Industry Regulatory Authority ("FINRA").

Arta is under common ownership with Arta Wealth Management Pte. Ltd., which is regulated by the Monetary Authority of Singapore.

Another Arta affiliate, Arta Finance Insurance LLC, offers insurance products. In addition, Arta Finance Club, LLC, another affiliate, provides tax advisory and estate planning services, among other services.

Neither Arta nor any of its management persons is registered, or has applied to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person thereof.

None of Arta's employees or officers have relationships with related parties in the financial services industry that materially affect Arta's advisory service or any member.

Referring clients to affiliates of the Firm presents Arta with a conflict of interest, for example for insurance products or tax advisory and estate planning services. Arta is incentivized to refer clients to affiliates in situations where clients are seeking such products or services. However, affiliates of the Firm may not be the most suitable provider for clients depending on the client's specific

circumstances. We address this risk by encouraging clients to consider, at their discretion, alternative options for such products and services.

Certain third-party managers of venture capital Alt Investments available on Arta's Platform have made investments in Arta Finance Inc., and such Alt Investments would not be available to clients if not for this pre-existing relationship. Clients should be aware that offering such Alt Investments presents a conflict of interest because the applicable managers have a pecuniary interest in Arta Finance Inc., and therefore in the Adviser. To mitigate this conflict of interest, the Adviser does not charge a fee for investments into the applicable Alt Investments. Furthermore, the Adviser includes language on the Platform disclosing the relationship between the applicable Alt Investments and Arta.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

It is possible that employees may independently invest in the same securities that are held by and/or recommended to clients. Arta employees are eligible to hold accounts with Arta and invest alongside clients. As such, Arta has adopted a Code of Ethics that sets forth the standards of conduct expected of employees. All employees are required to comply with the provisions of the Code of Ethics. The Code of Ethics includes policies and procedures relating to personal trading, gifts and entertainment involving business associates, outside business activities, political contributions as well as other areas where potential or actual conflicts of interest exist. All employees and officers must acknowledge receipt of the Code of Ethics and report any violations of the Code to the Chief Compliance Officer or their designee (collectively, "CCO").

In addition, the Code of Ethics requires all employees to comply with certain rules designed to protect against insider trading. Pursuant to the Code of Ethics, upon commencement of employment, Arta's employees who are designated as access persons are required to provide an initial holdings report disclosing all personal brokerage accounts and private placements. In addition, employees must thereafter provide a personal trading report to the compliance department within 30 days after the end of each calendar quarter. This report must include every securities transaction (excluding transactions effected in any account over which the employee has no direct influence or control, and transactions in securities that are direct obligations of the Government of the United States, bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt instruments, including repurchase agreements, or shares issued by registered open-end investment companies) in which the employee, the employee's immediate family living in the same household or trusts of which the employee is a trustee or in which the employee has a beneficial interest have participated during the quarter.

Certain personal trades must be pre-cleared by the CCO, including investments in private placements, initial public offerings, and initial coin offerings, as described in Arta's Code of Ethics. Each access person is also required to provide an annual report of brokerage accounts and holdings along with an acknowledgment at least annually that the access person will comply with the provisions of the Code of Ethics.

Arta is required to keep copies of the Code of Ethics and all records relating thereto. Clients or prospective clients may obtain a copy of the Code of Ethics upon writing, emailing, or telephoning us at the contact information listed in "Item 1 – Cover Page" of this Brochure.

ITEM 12 BROKERAGE PRACTICES

Arta utilizes Pershing Advisors Solutions LLC ("PAS") as its qualified custodian to maintain custody of client assets and execute client transactions. Clients should be aware that when they open an account with Arta, the Adviser will subsequently open a brokerage account at PAS on behalf of the client. Arta has a fiduciary duty to seek best execution (see further description below), and to ensure that trades are allocated fairly and equitably among clients over time.

Brokerage Relationships

While Arta currently utilizes PAS as its sole broker-dealer, Arta may utilize other broker-dealers in the future. Arta's relationships with broker-dealers, particularly those affiliated with large financial services organizations, are complex. Arta may have other relationships with such firms in addition to trade execution services. For example:

- Arta may invest client assets in securities issued by broker-dealers or their affiliates; and
- Notwithstanding such relationships or business dealings with these broker-dealers, Arta has a fiduciary duty to its clients to seek best execution when trading with these firms, and has policies and procedures to monitor its efforts in this regard, as described further below.

Best Execution – Selection Factors for Broker-Dealers

As noted above, Arta has a duty to seek best execution of transactions for client accounts. In seeking best execution, Arta looks for the best combination of transaction price, quality of execution (e.g., the speed of execution, the likelihood the trade will be executed, etc.), institutional stability (e.g., solvency risk) and other valuable services that an executing broker-dealer may provide, for example, access to research.

Clients grant Arta the authority to select the broker-dealer to be used for the purchase or sale of securities. Arta, in seeking best execution, will make this selection based on a number of factors, which may include, but are not limited to, the following: the broker-dealer's financial soundness; the

broker-dealer's ability to effectively and efficiently execute, report, clear, and settle the order; the broker-dealer's ability to commit capital; the broker-dealer's ability to timely and accurately communicate with Arta's trading desk and operations team; the broker-dealer's commission rates; the number of shares being purchased or sold; the broker-dealer's ability to provide liquidity, and similar factors. Arta does not consider any client referrals from a broker-dealer when determining best execution, or when placing client trades.

Arta is not obligated to choose the broker-dealer offering the lowest available commission rate if, in Arta's reasonable judgment, the total cost or proceeds from the transaction may be less favorable than what may be obtained elsewhere or if a higher commission is justified by the service and/or research provided by another broker-dealer.

Arta has implemented a policy to address the conflicts of interest associated with its brokerage practices. Currently, all client transactions are executed via market on close ("MOC") orders. Arta utilizes MOC orders in an effort to mitigate certain conflicts of interest, as all clients transacting in a particular security will receive the same price. In instances where Arta may be paying higher commission rates for its transactions, Arta will determine if the quality of execution and the services provided by the broker-dealer justify these higher commissions. Arta may cease to do business with certain broker-dealers whose performance may not have been competitive or may demand that such broker-dealers improve their performance before receiving any further orders.

Directed Brokerage

Arta requires its clients to use specified broker-dealers for portfolio transactions in their accounts.

Cross Trades

Arta does not engage in cross transactions as a matter of policy.

Soft Dollars

Arta does not currently engage in soft dollar or commission sharing arrangements with its brokers or custodians.

Trade Aggregation and Trade Sequence

Arta may utilize individual account or block trading. Selection will seek to favor the overall best client execution. Accounts are subject to constant, randomized algorithmic analysis in order to make appropriate transaction selections for each account. All transactions are then effected via MOC orders. In the event of a partial fill of a block order, Arta will prioritize based on each client's variation from their target allocations. In the event of a partial fill of an individual order, the imbalance will be removed next time Arta rebalances the account.

Initial Public Offerings

Arta does not offer investments in Initial Public Offerings to its clients at this time.

Trade Errors

Arta has established error correction procedures which provide that the resolution of errors be made in light of the Adviser's fiduciary duties and in placing an affected client's interest before that of the Firm. Trade errors are determined and reimbursed at Arta's discretion. Any net gains will be allocated to the client's account. Where the custodian/broker-dealer is the source of trade errors, Arta will seek reimbursement from such custodian/broker-dealer.

ITEM 13 REVIEW OF ACCOUNTS

Arta typically performs ongoing monitoring of client accounts, and performs such reviews not less than annually. However, in circumstances where Arta has identified a discrepancy with the qualified custodian or other relevant third party, such as broker-dealers or Alt Investment managers, an Arta employee will review such discrepancies and facilitate a reconciliation process with the applicable third party. Arta currently provides reports to clients only through its Platform. Statements are provided to clients by the Custodian on at least a quarterly basis, as described in Item 15.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Arta does not receive economic benefits from third parties for providing investment recommendations for client referrals.

Arta does not utilize third-party solicitors for the purposes of obtaining new clients. Arta may occasionally compensate current clients for referrals as permitted by the Investment Advisers Act of 1940 Rule 206(4)-1.

ITEM 15 CUSTODY

Arta has appointed an independent qualified custodian, PAS, as its agent to hold custody of clients' funds and securities. Such custodians may be broker-dealers, banks, or other qualified institutions. In addition to safeguarding client assets, Arta also has the authority to directly deduct advisory fees from client accounts as agreed in each client's advisory contract. While this limited authority to deduct fees is considered "custody" under regulatory rules, Arta does not otherwise have custody of client funds or securities.

The qualified custodian will provide the client with at least quarterly account statements relating to the assets held within the account managed by Arta. Each client should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the client's account and all account activity over the relevant period, including the deduction of

any advisory fees.

If any discrepancies are identified by a client, they should be immediately reported to Arta and/or the qualified custodian. Such questions, concerns, or discrepancies may be communicated to Arta by writing, emailing, or telephoning us at the contact information listed in "Item 1 – Cover Page" of this Brochure.

ITEM 16 INVESTMENT DISCRETION

Arta is typically granted discretionary authority by a client at the outset of an advisory relationship to determine the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives of each client account. When selecting securities and determining amounts of securities for purchase or sale, Arta observes the investment policies, limitations, and restrictions that are applicable to client accounts, as set forth by our clients. Any investment guidelines and restrictions, including amendments, must be provided to Arta by our clients in writing. A client will typically grant Arta discretionary authority by executing an IMA, which includes, among other items, a statement giving Arta authority to invest the assets, which are identified by the client, in a manner consistent with the investment objectives and limitations delineated by the client, and to engage in transactions on a discretionary basis in the client Account.

ITEM 17 VOTING CLIENT SECURITIES

Arta does not have the authority to vote securities on behalf of clients and does not provide advice as to how clients should vote.

ITEM 18 FINANCIAL INFORMATION

Arta does not require or solicit prepayment of fees from clients and does not have any financial condition that would impair its ability to meet contractual commitments to clients.

ITEM 19 REQUIREMENTS FOR STATE-REGISTERED ADVISERS

This item is not applicable to Arta.