

Item 1: Cover Page

Part 2A of Form ADV: Firm Brochure

MOOLA COPILOT LLC



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November 29, 2024

This brochure ("Brochure") provides information about the qualifications and business practices of Moola Copilot LLC ("Moola" or the "Firm"). Registration does not imply a certain level of skill or training. For any questions about the contents of this Brochure, please contact the Firm at support@moo.la. 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 Moola also is available on the SEC's website at www.adviserinfo.sec.gov.



Item 2: Material Changes

This Item discusses material changes to the Brochure since the last annual amendment thereto. Moola has no changes to disclose in relation to this Item. Pursuant to the SEC's requirements and rules, Clients (as defined below) will receive a summary of any material changes to this Brochure within one hundred twenty (120) days of Moola's fiscal year end. Moola's current Brochure may also be requested, free of charge, by contacting the Firm at support@moo.la.

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Item 4: Advisory Business

Overview

Moola is an SEC registered investment adviser offering web-based, non-discretionary and discretionary investment advisory services as further described below to clients (each a "Client," and collectively, "Clients"). The Firm was formed on April 29, 2024 and is principally owned by Jason Schappert and Magdalena Riutort Bou.

Moola provides its investment advisory services to Clients through a software application that is available through the Moola mobile app (the "Mobile App"). The Firm does not provide investment advice in person, over the phone, in live chat, or in any manner other than through the Mobile App. The Firm maintains an online presence through www.moo.la, primarily for informational purposes.

To open an account with Moola (an "Investment Account"), Clients must provide certain personal and financial information through one or more questionnaires (together, the "Client Profile"). The Client Profile collects, among other information, the Client's [employment status, income, investment goals, reasons to invest, time horizon and net assets] (together, "Investment Needs"). Moola does not verify the information it receives from Clients for accuracy, and it will rely on the information Clients provide. It is each Client's responsibility to promptly update his or her Client Profile and Investment Needs in the event of a change in circumstances.

In order to receive and access Moola's investment advisory services, Clients must also open a securities brokerage account (each, a "Brokerage Account") through the Mobile App. Such Brokerage Accounts are opened with Alpaca Securities LLC ("Alpaca Securities"), an unaffiliated SEC registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). Alpaca Securities provides securities brokerage services to Moola and its Clients, including but not limited to, custody, clearing, and settlement services for transactions effected by Moola through Clients' Brokerage Accounts. The investments of each Client are held in separate Brokerage Accounts in the name of each Client. Clients open their Brokerage Accounts by interacting with the application programming interface ("API") made accessible to Alpaca Securities through the Mobile App. Moola and Clients may transact in stocks, exchange traded funds ("ETFs"), and other securities that are made available by Alpaca Securities (collectively, "Securities").

Through the Mobile App, Clients will open an account (a "Crypto Account") with Alpaca Crypto LLC ("Alpaca Crypto"), a FinCEN registered money services business



and state-licensed money transmitter, subject to eligibility based on state residency requirements. When opening a Crypto Account, Clients must provide Alpaca Crypto with non-discretionary authority. Via the Mobile App and through the use of the Alpaca Crypto API, Clients may select to purchase or sell cryptocurrencies and other digital assets (collectively, "Digital Assets"), from the universe of Digital Assets available through Alpaca Crypto, store Digital Assets, and track Digital Asset transactions. The Digital Assets held in Client's Crypto Account are held in a separate account in the name of Client.

Types of Advisory Services

The Moola Meter

Moola provides non-discretionary investment recommendations to Clients in the form of assigned scores (each, an "Investment Score") for stocks made available via the Mobile App on a scale developed by Moola (the "Moola Meter"). The Investment Scores generally represent a recommendation to purchase or sell the given stock based on a Client's Client Profile and company fundamentals. Clients may purchase or sell stocks through the Mobile App on a self-elected basis. As further described below, Moola does not provide an Investment Score via the Moola Meter for Securities other than stocks.

Moola Managed Portfolios

Moola manages certain Client assets on a discretionary basis, pursuant to which Moola will buy and sell Securities for Client Accounts without the Client's prior consent and approval for each transaction. Specifically, Moola allows Clients to open individual retirement accounts (both traditional and Roth) (each, an "IRA"), within which Moola manages a portfolio ("Managed Portfolio") recommended by Moola for each Client based on his or her Client Profile and contribution amounts. Managed Portfolios are tailored to each Client, and may include a mix of the following Securities: stocks, ETFs, and cash or cash equivalents. Moola does not include Digital Assets in Managed Portfolios.

Important Limitations on Moolas' Advisory Services

While Clients may invest in individual Securities other than stocks, as well as Digital Assets, via the Mobile App, Moola's investment advice with respect to individual Securities is limited to stocks and, specifically, to the assignment of Investment Scores to stocks via the Moola Meter. Moola does not assign an Investment Score to Securities other than stocks or to Digital Assets. Clients may determine to buy or sell stocks through the Mobile App contrary to the Firm's Moola's recommendations.



Clients are advised that the availability of a stock Security through the Mobile App does constitute a recommendation of that stock by Moola. Similarly, the mere availability of a Security other than stocks or of a Digital Asset through the Mobile App does constitute a recommendation of that Security or Digital Asset by Moola generally or for a particular Client specifically.

Moola's advisory services (that is, its advice with respect to individual stocks via the Moola Meter and management of Managed Portfolios through the platform) should not be considered comprehensive financial or tax planning or legal advice, and Clients are advised and afforded the opportunity to seek the advice and counsel of the Client's own tax, financial, and legal advisers. Neither Moola nor any of its affiliates are responsible for establishing or maintaining any Client's compliance with the requirements of the Internal Revenue Code for a Traditional IRA or Roth IRA, or any other type of account that may be managed by Moola or determining any Client's individual tax treatment regarding such account. Furthermore, neither Moola nor any of its affiliates are responsible for withholding any tax penalties that may apply to Client Accounts or for any state or federal income tax withholding, except as may otherwise be required by applicable law. The Firm's services are not a complete investment program, and Clients should not use them as the sole component of their investment plan.

Assets Under Management

As of the date of this Brochure, the Firm does not have assets under management.

Item 5: Fees and Compensation

Moola charges an annual asset-based fee of 0.60% (60 basis points) (the "Management Fee"). The Management Fee is prorated and charged every thirty (30) days (each thirty (30) day period, a "Billing Period"), in arrears, based on the value of the Investment Account on the last day of the Billing Period. Upon termination of Moola's services, the Firm will charge a prorated Management Fee based on the days remaining in the Billing Period. Clients authorize Moola to charge the Management Fee to funding account via a third-party service provider, Plaid.

Clients may incur certain third-party costs in addition to the fees they pay to Moola. Moola does not charge these to Clients and does not benefit directly or indirectly from any such charges. These types of charges include, but are not limited to, wire transfer fees, paper statement fees, and bounced check fees. The issuer of some of the Securities purchased for Clients, such as ETFs, may charge product fees and

expenses that affect Clients. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. For additional information about the Firm's brokerage practices, see Item 12 of this Brochure.

Clients may deposit and withdraw from their Investment Account at any time, subject to Moola's right to terminate its services. Deposits to Investment Accounts must be done via bank transfer from the Client's funding account to the Investment Account. Clients may withdraw account assets at any time, subject to the usual and customary securities settlement procedures. However, withdrawal of assets may impair the achievement of a Client's investment objectives. Clients are advised that when cash is withdrawn, the Investment Account may be subject to transaction fees, and/or tax ramifications.

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

Neither the Firm nor any of its supervised persons accept performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a Client.

Item 7: Types of Clients

The Firm generally provides investment advice to individuals, including high-net worth individuals. The Firm does not maintain requirements for opening or maintaining an account, such as a minimum account size.

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

Methods of Analysis and Investment Strategies

Moola employs an array of algorithms to provide investment recommendations to Clients by assigning an Investment Score to each Security made available in a Client's Investment Account. The Investment Score is measured on the Moola Meter, which factors in each Client's Client Profile, the other holdings in his or her Investment Account, as well as company fundamentals. Each Security's Investment Score is automatically recalculated on a daily basis. The software used to create



Investment Scores are designed with a long-term perspective, according to generally accepted modern portfolio theory and industry norms. Additionally, Moola's algorithmic approach takes the Client's individual situation into account, adapting for risk tolerance and suitability.

Moola's Managed Portfolios include an allocation to the highest-rated securities for each Client based on the Moola Meter. Managed Portfolios are rebalanced quarterly, unless Moola determines to rebalance them more frequently at its sole discretion. While this diversified asset allocation approach is designed to mitigate risks, no investment approach is without risk. There is a risk that all asset classes fall at the same time, negating the value of diversification and the approach is susceptible to overall market crash events.

In developing its algorithms and employing them to provide investment recommendations via the Moola Meter and Managed Portfolios, the Firm utilizes fundamental analysis, modern portfolio theory ("MPT"), and generally accepted industry principles of diversification.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. This process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

MPT is a mathematical based investment discipline that seeks to quantify expected portfolio returns in relation to corresponding portfolio risk. The basic premise of MPT is that the risk of a particular holding is to be assessed by comparing its price variations against those of the market portfolio. However, MPT disregards certain investment considerations and is based on a series of assumptions that may not necessarily reflect actual market conditions. As such, the factors for which MPT does not account (e.g., tax implications, regulatory constraints and brokerage costs) may negate the upside or add to the actual risk of a particular allocation. Nevertheless, investment process should be structured in such a way to integrate those assumptions and real-life considerations for which MPT analytics do not account.

Risk of Loss

Investing in Securities involves risk of loss that Clients should be prepared to bear. As set forth above, all trading in individual Securities and Digital Assets is on a self-elected basis. Moola's investment advice with respect to individual Securities is limited to stocks and, specifically, its assignment of an Investment Score to stocks via the Moola Meter. Moola does not assign an Investment Score to Securities other than stocks or to Digital Assets and does not otherwise provide advice about such Securities other than stocks or Digital Assets. Clients may determine to buy or sell stocks through the Mobile App contrary to Moola's recommendations made via the Moola Meter. The mere availability of a stock through the Mobile App does not constitute a recommendation of that stock by Moola. Similarly, the mere availability of a Security other than stocks or of a Digital Asset through the Mobile App does not constitute a recommendation of that Security or Digital Asset by Moola generally or for a particular Client specifically.

Moola's advisory services (that is, its advice with respect to individual stocks via the Moola Meter and management of Managed Portfolios) should not be considered comprehensive financial or tax planning or legal advice, and Clients should not use them as the sole component of their investment plan. Clients are advised and afforded the opportunity to seek the advice and counsel of the Client's own tax, financial, and legal advisers. Neither Moola nor any of its affiliates is responsible for establishing or maintaining any Client's compliance with the requirements of the Internal Revenue Code for a Traditional IRA or Roth IRA, or any other type of account that may be managed by Moola or determining any Client's individual tax treatment regarding such account. Furthermore, neither Moola nor any of its affiliates is responsible for withholding any tax penalties that may apply to Client Accounts or for any state or federal income tax withholding, except as may otherwise be required by applicable law.

Managed Portfolios recommended and implemented by the Firm will not be fully diversified. As such, Managed Portfolios recommended by the Firm will be subject to general movements in the stock market, and the value fluctuations of each particular issuer's stock.

Moola does not guarantee the future performance of any Client's Managed Portfolio, or any transactions Clients implement on a self-elected basis in accordance with recommendations made via the Moola Meter (or otherwise). Clients must understand that investments made based on Moola's recommendations via the Moola Meter involve substantial risk and are subject to various market, currency, economic, political and business risks, and that those

investment decisions and actions will not always be profitable. Clients may lose some or all of the amount invested.

The price of any Security can decline for a variety of reasons outside of Moola's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. There is no guarantee that Client's use of the services will necessarily reduce the intended results. A Client might not achieve his or her investment objectives.

High volatility and/or the lack of deep and active liquid markets may prevent the sale of a Client's Securities at all, or at an advantageous time or price because Clients may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Firm cannot guarantee any level of performance or that any Client will avoid a loss in their Investment Account.

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a prospective Client before utilizing the Firm's services. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is, in fact, an occurrence.

- *Market Risk:* The price of a Security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a Security's particular underlying circumstances. For example, macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset/class, it may negatively affect overall performance to the extent that the asset/class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset/classes in a particular period may cause that Investment Account to underperform relative to the overall market.
- *Investment Risk:* There is no guarantee that Moola's judgment or investment decisions about particular Securities and asset classes will necessarily produce the intended results. Such judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. In addition, it is

possible that Clients or Moola itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Moola's software based financial service.

- *Volatility and Correlation Risk:* Clients should be aware that the Firm's asset selection process may be based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset/classes may exhibit similar price changes in similar directions which may adversely affect a Client and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.
- *Fundamental Investment Strategy Risks:* The Firm's recommendations may be based on fundamental research. The research process incorporates various operating and financial factors aimed at exploiting market trends, anomalies and pricing discrepancies with a view to selecting investments in pursuit of the portfolio's investment objectives. The process of designing and perfecting the research, portfolio construction, and management model is highly complex. The Firm cannot guarantee that the model will indeed function as intended or that it will produce profits on investments as implemented. The fundamental and quantitative strategies utilized by the Firm have inherent limitations, including the possibility of human error in the design, data input or implementation process, imperfections of a model to keep up with changes in the markets and the behavior of market participants over time. The risk of errors, malfunctions and anomalies is inherent in each component of the programming process, how those components function together, and how the program absorbs market data interpreted by the Firm. In addition, any portfolio manager judgment during the approval or override of model results is based on human skills and abilities similar to non-quantitative investing, with all the risks, potential errors or miscalculations that any asset or portfolio manager faces.
- *Equity-Related Risk:* Investing in individual companies involves investments in common stocks and is subject to the volatility and individual risks associated with those stocks. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In

addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

- *Concentration of Investments:* Investment Accounts implemented based on the Firm's advice may hold a relatively small number of Security positions, which will expose the portfolio to the particular industry or market sector the Security represents and the value of the specific company. Losses in one or more positions, or a downturn in an industry or market sector in which the company participates, could adversely affect the portfolio's performance in a particular period. Such limited diversification may heighten the concentration of risk, which, in turn, could expose the Client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements with respect to investments.
- *ETF Risks, including Net Asset Valuations and Tracking Error:* ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because (i) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; (ii) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and (iii) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. ETFs typically include embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary. Shareholders are also liable for taxes on any fund-level capital gains, as ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.
- *Liquidity and Valuation Risk:* High volatility and/or the lack of deep and active liquid markets for a Security may prevent the sale of a Client's

Securities at all, or at an advantageous time or price because the Client may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some Securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. Clients may from time to time receive or use inaccurate data, which could adversely affect Security valuations, and transaction size for purchases or sales.

- *Credit Risk:* Clients are exposed to the risk that financial intermediaries or issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a Client, notwithstanding asset segregation and insurance requirements that are beneficial to Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of Securities held by Clients. Finally, any issuer of Securities may experience a credit event that could impair or erase the value of the issuer's Securities held by a Client.
- *Legislative and Tax Risk:* Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations.
- *Inflation, Currency, and Interest Rate Risks:* Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets managed by Clients may be affected by the risk that currency devaluations affect their purchasing power.

- *Automated Investing:* Moola relies on static questionnaires consisting of a limited number of questions that form the sole basis for its recommendations to Clients. Such questionnaires are very limited in nature. The questions may not, or may not accurately, capture an individual Client's needs. Although Clients may change and update their responses, Moola does not, at this time, make investment advisory personnel available to Clients to highlight and explain important concepts or clarify the details of a specific Client's financial goals and needs. Online and electronic interactions are limited compared to face-to-face individual advice.
- *Operational Risk:* Operational risk is the exposure to the chance of loss arising from shortcomings or failures in internal processes or systems of Moola, Alpaca Securities, or Alpaca Crypto external events impacting those systems, and human error. A Client's Investment Account may suffer a loss arising from shortcomings or failures in internal processes, people or systems, or from external events. Operational risk can arise from many factors ranging from routine processing errors to potentially costly incidents related to, for example, major systems failures.
- *Trade Errors and Mistakes:* Trade errors and other operational mistakes ("Operating Events") occasionally may occur in connection with Moola's services with respect to Clients' Investment Accounts. Moola has policies and procedures that address identification and correction of Operating Events. An Operating Event generally is compensable by Moola to a Client when it is a mistake (whether an action or inaction) in which Moola has, in Moola's reasonable view, deviated from the applicable standard of care in advising a Client's Investment Account, subject to the considerations set forth below.

Operating Events may include, but are not limited to, the following: (i) the placement of orders (either purchases or sales) in excess of the amount intended to trade for a Client's Investment Account; (ii) the purchase (or sale) of when it should have been sold (or purchased); (iii) a purchase or sale not intended for the Client's Investment Account; and (iv) incorrect allocations of trades. Operating Events can also occur in connection with other activities that are undertaken by Moola, such as fee calculations, and other matters that are non-advisory in nature.

Moola makes its determinations regarding Operating Events pursuant to its policies on a case-by-case basis, in its discretion, based on factors it considers reasonable, including regulatory requirements, contractual obligations, and business practices. Not all Operating Events will be considered compensable mistakes.

Relevant factors Moola considers when evaluating whether an Operating Event is compensable include, among others, the nature of the service being provided at the time of the event, specific applicable contractual and legal requirements and standards of care, whether an applicable investment guideline was contravened, and the nature of the relevant circumstances.

Operating Events may result in gains or losses or could have no financial impact. Clients are entitled to retain any gain resulting from an Operating Event. Operating Events involving erroneous transactions in Client's Investment Accounts generally are corrected in accordance with the procedures established by Moola, Alpaca Securities, and/or Alpaca Crypto.

When Moola determines that reimbursement by Moola is appropriate, the Client will be compensated as determined in good faith by Moola. Moola will determine the amount to be reimbursed, if any, based on what it considers reasonable guidelines regarding these matters in light of all of the facts and circumstances related to the Operating Event. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to related transactions, and/or other factors Moola considers relevant. Compensation generally will not include any amounts or measures that Moola determines are speculative or uncertain.

- *Cybersecurity Risks:* Moola and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Moola's Clients by interfering with the processing of transactions, affecting Moola's ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose Moola to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal

information. While the Firm has established business continuity plans, incident responses plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks also are present for issuers of Securities in which Clients invest, which could result in material adverse consequences for such issuers and may cause a Clients' investment in such Securities to lose value.

- *Reliance on Management and Other Third Parties:* ETF investments will rely on third-party management and advisers. Moola will not have an active role in the day-to-day management of fund investments. Carried interest and other incentive distributions to fund management may create an incentive towards more speculative investments than would otherwise have been made.
- *Market Volatility:* General economic conditions have an impact on the success of Moola's investment strategies. Changing external economic conditions in the U.S. and global economics could have a significant impact on the success of the Mobile App and Clients' investments. The stability and sustainability of growth in global economies may be impacted by terrorism or acts of war. There can be no assurance that such markets and economic systems will be available for issuers of Securities available via the Mobile App to operate. Changing economic conditions, thus, could potentially adversely impact the valuation of Clients' investments in Securities via the Mobile App.
- *Catastrophic Risks:* Moola may be subject to the risk of loss arising from direct or indirect exposure to a number of types of other catastrophic events, including without limitation (i) public health crises, such as the novel COVID-19 pandemic, outbreaks of SARS, H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof; or (ii) other major events or disruptions, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on Moola's and/or a Client's operational and financial performance and each Client's investments will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that

any such event occurs and has a material effect on global financial markets or specific markets in which a Client participates (or has a material effect on any locations in which Moola operates or on any of its personnel) the risks of loss could be substantial and could have a material adverse effect on Clients or the ability of Moola to fulfill its investment objectives on behalf of its Clients.

- *Digital Asset Risks:* As set forth above, Moola does not assign an Investment Score to Digital Assets and does not otherwise provide advice about Digital Assets. Notwithstanding the foregoing, Clients should be aware of important risks associated with trading and holding Digital Assets (also known as cryptocurrencies or crypto assets). The disclosures below do not disclose all of the risks involved, and there may be additional risks that are not foreseen or identified.

A Digital Asset is a digital representation of value that functions as a medium of exchange, a unit of account, or a store of value, but it does not have legal tender status. Digital Assets are sometimes exchanged for U.S. dollars or other fiat currencies around the world, but they are generally not backed or supported by any government or central bank. Purchasing Digital Assets comes with a number of risks, including volatile market price swings or ‘flash crashes,’ market manipulation, and cybersecurity risks. Trading Digital Assets requires knowledge of the Digital Assets markets as well as the underlying software and technology that enable trading Digital Assets. Clients should conduct extensive research into the legitimacy of each individual Digital Asset, including its platform, before investing.

- *Volatility:* The value of Digital Assets is primarily derived by market forces of supply and demand, and they are more volatile than traditional currencies, which may result in the potential for permanent and total loss of value of a particular Digital Asset in a short period of time should the market for that Digital Asset disappear. There is no assurance that a person who accepts a Digital Asset as payment today will continue to do so in the future. Under certain market conditions, Clients may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a particular Digital Asset suddenly drops, or if trading is halted due to recent news events, rumors, unusual trading activity, or changes in the underlying Digital Asset system. The greater the volatility of a particular Digital Asset, the greater the likelihood that problems may be encountered in executing a transaction. In certain extreme instances, markets for certain Digital Assets may disappear entirely.

- *Regulatory and Legal Uncertainty:* Digital Asset markets and exchanges are unregulated and do not have the same controls or customer protections that are afforded in the equity, option, futures, or foreign exchange markets. Digital assets are not covered by FDIC or SIPC insurance. Legislative and regulatory changes or actions at the state, federal, or international level may adversely affect the use, transfer, exchange, and value of Digital Assets.
- *Security:* Digital Asset networks may be vulnerable to attacks on security, integrity, or operation, including attacks using computing power sufficient to overwhelm the normal operation of the Digital Asset's blockchain or other underlying technology. The nature of Digital Assets may lead to an increased risk of fraud or cyber-attack, and technological difficulties experienced by third parties may prevent the access to or use of Clients' Digital Assets.
- *Transactions:* Some Digital Asset transactions will be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that a transaction may have been initiated. Transactions in Digital Assets may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. In addition to normal market risks, Clients may experience losses due to one or more of the following: system failures, hardware failures, software failures, network connectivity disruptions, and data corruption.
- *Technology Changes:* Any individual Digital Asset may change or otherwise cease to operate as expected due to changes made to its underlying technology, changes made using its underlying technology, or changes resulting from an attack. These changes may include, without limitation, a "fork," a "rollback," an "airdrop," or a "bootstrap." Such changes may dilute the value of an existing Digital Asset or position and/or distribute the value of an existing Digital Asset position to another Digital Asset. Any Digital Asset may be cancelled, lost, or double spent, or otherwise lose all or most of their value, due to forks, rollbacks, attacks, or failures to operate as intended.
- *Limitations of Disclosure:* The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in Securities and Digital Assets through the Mobile App. As investment strategies develop and change over time, Clients may be subject to



additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a Client or prospective Client's evaluation of the Firm's advisory business or the integrity of the Firm's management requiring disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

Moola is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Moola does not have any information to disclose in relation to this Item.

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

Moola has adopted a Code of Ethics ("Code") as required by the applicable securities laws. The Code establishes and reinforces a standard of business conduct expected of its supervised persons and provides specific guidance related to managing conflicts of interests and Moola's fiduciary duty to its Clients. This includes procedures relating to: (i) the confidentiality of Client information; (ii) a prohibition on insider trading; (iii) a prohibition of rumor mongering; (iv) restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items; (v) personal securities trading procedures; and (vi) reporting of internal violations of the Code, among other things. All supervised persons at Moola must acknowledge the terms of the Code annually, or as amended. Moola will provide a copy of its Code to Clients and prospective Clients upon request. To request a copy of the Code, please contact Moola at support@moo.la.

Item 12: Brokerage Practices

With respect to Securities transactions, Alpaca Securities establishes and carries Clients' Investment Accounts that hold Clients' Securities and Digital Assets and cash for trading through the Mobile App and records Client transactions.



Orders placed by Moola for Clients are expected to be placed with Alpaca Securities and Alpaca Crypto and effected by Moola manually and/or through electronic trading systems maintained Alpaca Securities and Alpaca Crypto, which will then be execute such transactions.

Moola seeks to use a custodian/clearing broker that will hold Client assets on terms that are most advantageous when compared with other available providers and their services. Moola considers a wide range of factors, including the ability to clear and settle trades, capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.), availability of investment research and tools that assist the Firm in making investment decisions, quality of services, competitiveness of the price of those services, reputation, financial strength, and stability of the provider.

Item 13: Review of Accounts

Moola reviews its recommendations to Clients no less than quarterly. Such reviews are conducted by the Chief Compliance Officer and may be conducted on a sampling basis. The Firm's algorithm updates the Firm's recommendations whenever Clients update their Client Profile through the Mobile App. The Firm provides information regarding Clients' current holdings via the Mobile App. Clients will receive account statements from Alpaca Securities and Alpaca Crypto. Clients should compare the account statements they receive from Alpaca Securities and Alpaca Crypto for information about their holdings and transactions to the information provided by the Firm via the Mobile App.

Item 14: Client Referrals and Other Compensation

Moola does not receive any economic benefit from third parties for providing investment advice or other advisory services to Clients. The Firm does not currently compensate Clients or third parties for testimonials or endorsements.

Item 15: Custody

Moola does not custody Clients' funds, Securities, or Digital Assets. As set forth in Item 13, Clients will receive account statements from Alpaca Securities and Alpaca Crypto. Clients should compare the account statements they receive from Alpaca



Securities and Alpaca Crypto information about their holdings and transactions to the information provided by the Firm via the Mobile App.

Item 16: Investment Discretion

Moola provides non-discretionary and discretionary services to Clients. Where Moola has non-discretionary authority, it will effect self-elected transactions for Securities and Digital Assets from clients with their prior consent and approval for each transaction. Where Moola has discretionary authority, specifically, for assets it is managing in Managed Portfolios, it will effect transactions for Securities without Client's consent and approval for each transaction.

Item 17: Voting Client Securities

Moola does not have authority to vote Clients' Securities. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from the Firm. The Firm does not advise Clients on how to respond to questions about a particular solicitation.

Item 18: Financial Information

Moola does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance. The Firm is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients. The Firm has not been the subject of a bankruptcy petition at any time during the past ten (10) years.