

ATFS Advisers LLC

Form ADV Part 2A

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This Form ADV Part 2A ("Firm Brochure") provides information about the qualifications and business practices of ATFS Advisers LLC ("ATFS" or the "Adviser"). If you have any questions about the content of this Firm Brochure, please contact us at (805) 557-8713.

ATFS is a registered investment Adviser with U.S. Securities and Exchange Commission ("SEC"). The information in this Firm Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment adviser does not imply any specific level of skill or training. This Firm Brochure provides information about ATFS to assist you in determining whether to retain us as your adviser.

Additional information about ATFS Advisers LLC (CRD# 324191) and its advisory persons is available on the SEC's website at www.adviserinfo.sec.gov by searching with the Adviser's firm name or CRD number.

Item 2: Material Changes

Registered investment advisers are required to amend their Firm Brochure when information becomes materially inaccurate. If there are any material changes to an adviser's Firm Brochure, the adviser is required to notify you and provide you with a description of the material changes. This summary of material changes does not describe all modifications, such as updates to dates and numbers, stylistic changes, corrections or clarifications.

Summary of Material Changes since our initial Firm Brochure filing on October 20, 2023:

- We updated our Firm Brochure to include all aspects of a full investment adviser firm brochure and moved the wrap fee program brochure to Appendix 1.
- We updated this entire Firm Brochure to include our Atlas Private Client offering, which is distinct from our wrap fee program. All sections of this Firm Brochure, other than Appendix 1, discuss Atlas Private Client in detail. Please note the section headers in this Firm Brochure, that separate information about Atlas Private Client from information about our wrap fee program.
- We made the following updates to our wrap fee program brochure, which is now found in Appendix 1:
 - We increased our minimum initial deposit size to \$1,500.
 - We added a requirement that the Wrap Fee Program's clients must maintain an account value of at least \$1,000, and if a client wishes to withdraw funds and reduce the value of their account below \$1,000, ATFS reserves the right to close the client's account.
 - ATFS reserves the right to change its minimum account size or value in the future at its discretion.
 - ATFS now only charges an asset-based fee of 1.00% per year, charged monthly in arrears, for its services through the Wrap Fee Program, regardless of account size. There is no longer a fixed fee.

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Item 4: Advisory Services

ATFS Advisers LLC (hereinafter referred to as “ATFS,” the “Adviser,” “Firm,” “we,” “us,” or “our”) is a Delaware limited liability company with its principal office located at 12121 W Olympic Blvd, #2067, Los Angeles, CA 90064 and is registered with the Securities and Exchange Commission (the “SEC”) as an investment adviser. ATFS was formed in October 2022 and is wholly-owned by Atlas Financial Services, Inc. (“Atlas”). Atlas is a privately held company headquartered in Los Angeles, California. Information about the Firm’s organizational and ownership structure is provided on Part 1 of the Firm’s Form ADV, which is available online at www.adviserinfo.sec.gov.

This Firm Brochure provides information regarding the qualifications, business practices, and the advisory services provided by ATFS. For information regarding this Firm Brochure, please contact Matty Gallas (Chief Compliance Officer) at (310) 614-3687.

Advisory Services Offered

ATFS offers advisory services to individuals, high net worth individuals, families, trusts, estates, businesses, and retirement plans (each referred to as a “Client”) through a website and mobile application portal designed to help clients accomplish personal finance goals.

ATFS serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, ATFS upholds a duty of loyalty, fairness, and good faith towards each Client and seeks to mitigate conflicts of interest. ATFS’s fiduciary commitment is further described in ATFS’s Code of Ethics. For more information regarding the Code of Ethics, please see “Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”.

Wrap Fee Program

The Firm’s Wrap Fee Program (the “Program”) interacts with its Clients through a software application that is available through mobile platforms owned by Atlas Financial Services, Inc. (the “Theme Platform”). Each Client provides personal information about themselves, including financial resources, investment goals and objectives, and their risk tolerance through the Theme Platform by answering a questionnaire during onboarding. ATFS utilizes the information from the questionnaire to create an investment portfolio that is customized to Clients’ risk tolerance, financial parameters and investment objectives. For each Client’s portfolio plan, ATFS considers the Client’s employment status, income, investment goals and reasons to invest, time horizon and net assets. ATFS evaluates each Client’s responses and recommends one or more portfolio strategies from among conservative, moderate and aggressive growth portfolio strategies and allocations of the Client’s funds between the recommended portfolio strategies. For instance, a more aggressive portfolio may contain less hedging and/or more volatile assets, which means the portfolio has more potential upside but also more potential risk during downturns. The portfolio recommendation created by ATFS for each Client is based solely upon the information provided by the Client through the Theme Platform. As such, the suitability of the investment plan

recommendations is limited by and relies on the accuracy and completeness of the information provided by the Client. ATFS does not capture any additional information not covered in the questionnaire in making its risk assessment and providing its recommendation of portfolio strategies and allocation between portfolio strategies. After receiving our recommendations, a Client may choose to accept our recommendation or adjust our recommendation before investing. Clients are obligated to update their information through the Platform promptly if there are changes to their financial situation, goals, objectives, risk tolerance, personal circumstances, time horizon or if other relevant information changes or becomes available. The Program seeks to provide personalized, long-term oriented investment portfolio strategies that are primarily invested in what ATFS considers high-quality assets in certain market sectors, industry sectors, and cultural trends.

Impersonal Financial Counseling Service

ATFS also provides certain educational tools to Clients (“Financial Counseling Service”). The Financial Counseling Service includes a range of financial information, education, and analysis offered on a limited scope basis. The Financial Counseling Service is impersonal in nature, which means that the advice is not tailored to a Client’s, or group of Clients, individual needs and does not purport to meet the objectives or needs of specific Clients or accounts. Consequently, ATFS does not rely on suitability questionnaire information that the Client inputs into the Platform to provide the Financial Counseling Service. The Financial Counseling Service is available to all ATFS Clients through the Theme Platform.

Atlas Private Client

ATFS also is an adviser to separately managed accounts through a product called Atlas Private Client. Through Atlas Private Client, the Firm provides customized discretionary and non-discretionary investment and wealth management services to high-net-worth individuals and associated trusts, estates, pension and profit-sharing plans, and other legal entities. ATFS generally invests client discretionary assets in domestic and international stocks, bonds, options, mutual funds, exchange traded funds (“ETFs”), private funds, and real estate. ATFS works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to design a portfolio strategy. ATFS considers the Client’s specific goals and risk tolerance and its capital markets outlook when directing assets to specific investments. ATFS may retain certain legacy investments based on portfolio fit and/or tax considerations for each Client. Atlas Private Client is available through third party platforms and is not available through the Theme Platform. Atlas Private Client maintains an online presence through the Firm’s website, www.atlasfinancial.com, primarily for informational purposes.

Through Atlas Private Client, ATFS may also provide investment advice to its Clients with held away assets such as 401ks and shares in private companies. In providing these services, ATFS may or may not have the ability to transact in the client’s account, depending on the platform. Provision of these services is subject to the client’s investment advisory agreement with ATFS.

With respect to the SMAs, ATFS will construct, implement, and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by ATFS.

ATFS evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. ATFS may recommend, on occasion, redistributing investment allocations to diversify the portfolio. ATFS may recommend specific positions to increase sector or asset class weightings. ATFS may recommend employing cash positions as a possible hedge against the market movement. ATFS may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

Client Account Management

Prior to engaging ATFS to provide advisory services each Client is required to enter into a written advisory agreement with the Adviser that define the fees, terms, conditions, authority, and responsibilities of the relationship between ATFS and the Client. These services may include:

- Establishing an Investment Strategy – ATFS, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – ATFS will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation, and tolerance for risk for each Client or unique client goal.
- Portfolio Construction – ATFS will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Wealth Management and Supervision – ATFS will provide wealth management and ongoing oversight of the Client's investment portfolio.

Wrap Fee Program

The Firm's Wrap Fee Program (the "Program") interacts with its Clients through a software application that is available through mobile platforms owned by Atlas Financial Services, Inc. (the "Theme Platform"). Each Client provides personal information about themselves, including financial resources, investment goals and objectives, and their risk tolerance through the Theme Platform by answering a questionnaire during onboarding. ATFS utilizes

the information from the questionnaire to create an investment portfolio that is customized to Clients' risk tolerance, financial parameters and investment objectives. For each Client's portfolio plan, ATFS considers the Client's employment status, income, investment goals and reasons to invest, time horizon and net assets. ATFS evaluates each Client's responses and recommends one or more portfolio strategies from among conservative, moderate and aggressive growth portfolio strategies and allocations of the Client's funds between the recommended portfolio strategies. For instance, a more aggressive portfolio may contain less hedging and/or more volatile assets, which means the portfolio has more potential upside but also more potential risk during downturns. The portfolio recommendation created by ATFS for each Client is based solely upon the information provided by the Client through the Theme Platform. As such, the suitability of the investment plan recommendations is limited by and relies on the accuracy and completeness of the information provided by the Client. ATFS does not capture any additional information not covered in the questionnaire in making its risk assessment and providing its recommendation of portfolio strategies and allocation between portfolio strategies. After receiving our recommendations, a Client may choose to accept our recommendation or adjust our recommendation before investing. Clients are obligated to update their information through the Platform promptly if there are changes to their financial situation, goals, objectives, risk tolerance, personal circumstances, time horizon or if other relevant information changes or becomes available. The Program seeks to provide personalized, long-term oriented investment portfolio strategies that are primarily invested in what ATFS considers high-quality assets in certain market sectors, industry sectors, and cultural trends.

To participate in the Program, a Client must also open a securities brokerage account and provide discretionary authority over that account to ATFS. Brokerage accounts, agreements, and order processing will be conducted through Apex Clearing Corporation ("Apex"), an unaffiliated SEC-registered broker-dealer and Financial Industry Regulatory Authority ("FINRA") member, which provides brokerage-related services to ATFS and Clients within the Program. Apex will also provide custody, clearing, and settlement services for the Clients within the Program. The Program's Clients enter into an agreement whereby Apex will act as the introducing and clearing broker and qualified custodian for Client accounts (such agreement, the "Apex Agreement"). Under the terms of the Apex Agreement, the Client authorizes (i) Apex to introduce all securities trades and transactions from ATFS to Apex and (ii) Apex to establish and carry the Client's account that holds the Client's securities and cash and records the Client's transactions in the Program. Using Apex's application program interface ("API"), the Theme Platform allows the Program's Clients to create an investment account. All account opening functionalities, including identity verification and approval, are handled digitally and instantly by ATFS in coordination with Apex. The investments in each Client's account are held in a separate account in the name of the Client at Apex, and not with ATFS, Atlas, or any other ATFS affiliates.

Assets Under Management

As of January 3, 2024 ATFS manages \$63,574.00 in assets, all of which are on a discretionary basis. Clients may request more current information at any time by contacting the Adviser.

Item 5: Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Adviser. Each Client engaging the Firm for services described herein shall be required to enter into a written investment advisory agreement with the Firm containing the applicable fee for the services each Client seeks to obtain.

Fees for Advisory Services

Wrap Fee Program

The Program charges a “wrap” fee which allows Clients to pay a single fee for the services offered through the Program (the “Wrap Fee”). The Wrap Fee is not based upon transactions in a Client account, but rather is a bundled fee, which includes the costs for advisory services, execution, clearance, custody and account reporting.

Asset-Based Fee

ATFS charges Clients a Wrap Fee will be based on a percentage of the client’s total managed assets. The Wrap Fee is 100 basis points (1.00%) per year (asset-based fee). The Wrap Fee is charged monthly, in arrears. The asset-based fee is calculated on the average daily market value of a Client’s portfolio over the previous month. Since the asset-based fee is determined by average daily account value, if assets are deposited into or withdrawn from an account after the inception of a month, the base fee payable with respect to such assets is adjusted accordingly. For the initial period of an engagement, the Wrap Fee is calculated on a pro rata basis.

ATFS may from time to time, in its sole discretion, offer lower fees through promotions, referrals and other discounts to some Clients that differ from the Wrap Fee stated above.

In the event the investment advisory agreement is terminated, the Wrap Fee for the final billing period is prorated through the effective date of the termination and the outstanding portion of the Wrap Fee is charged to the Client.

Clients authorize ATFS and Apex through the investment advisory agreement to deduct fees directly from Client custodial accounts at Apex or from their funding source. See “Direct Fee Debit of ATFS’s Fee” below.

ATFS may impose a mandatory cash reserve as part of each investment strategy. The cash will be used to pay ATFS fees and other expenses, as set forth herein. If a Client wishes to withdraw cash, ATFS will sell other assets in the Client’s account to maintain the cash reserve. If a Client is invested completely in an illiquid strategy, such that cash cannot be replenished immediately, the Client will not be able to immediately withdraw the cash portion.

Financial Counseling Service

ATFS does not charge a fee for its Financial Counseling Service, which is available to Clients on the Theme Platform.

Atlas Private Client

Asset-Based Fees

For wealth management services offered through Atlas Private Client, fees will be based on a percentage of the client's total managed assets and are paid in arrears or in advance based on the previous quarter's end value or average daily balance as agreed upon by ATFS and the Client. Fees are negotiable and typically range between 0.25%-1.5% per year, depending on the size and complexity of the Client account, among other factors. Fees are billed quarterly in arrears or in advance based on the previous quarter's end value or average daily balance as agreed upon by ATFS and the Client. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the number of days that the account(s) was managed.

The market value of assets includes accrued interest and dividends, as well as margin balances (if applicable). Most Clients authorize ATFS to deduct fees automatically from their brokerage accounts, but Clients may request that the Firm send quarterly invoices to be paid by check or ACH. The custodian of the Client's brokerage account is responsible for sending statements at least quarterly indicating, among other things, management fees disbursed from the account. ATFS may agree to aggregate the assets of multiple separate accounts of a client and other affiliated clients for fee calculation purposes.

Fixed Fees

Clients can be charged an annual fixed fee for investment management services. Annual fixed fees are negotiated based on the size and complexity of the relationship and charged based on the frequency stated in the agreement with the client.

Custodial Fees and Other Fees

Fees paid to ATFS for investment advisory services provided via Atlas Private Client are separate and distinct from the fees and expenses charged by underlying pooled investments such as mutual funds and exchange traded funds. In the case of mutual funds, these fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and possible distribution fee. As a general rule, ATFS does not use mutual funds that charge sales charges or distribution fees. Expenses of a fund, including management fees payable to the mutual fund manager and other expenses, will not appear as transaction fees on a client's ATFS statement, as they are deducted from the value of the fund shares by the mutual fund service provider.

Clients will incur certain charges imposed by financial institutions and other third parties such as custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the ATFS asset-based fee. For information relating to custodial fees and expenses, please refer to the applicable custodial agreement or contact the applicable custodian.

Clients may make additions to and withdrawals from their account[s] at any time, subject to ATFS' right to terminate an account. Additions may be in cash or securities provided that ATFS reserves the right to liquidate any transferred securities or decline to accept particular securities into a Client's account[s]. Clients may withdraw account assets on notice to ATFS, subject to the usual and customary securities settlement procedures. However, the withdrawal of assets may impair the achievement of a Client's investment objectives. ATFS may consult with its Clients about the options and ramifications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Fee Billing

Wrap Fee Program

Clients authorize and direct ATFS to instruct Apex to deduct the Wrap Fee directly from the Client's custodial account at Apex or linked funding source and pay those fees to ATFS. ATFS may also take the Wrap Fee from a Client's account by instructing Apex to deduct such fee from the assets in the Client's account. ATFS may, as necessary and in its sole discretion, sell securities in the Client's ATFS account to generate free cash in order to deduct the Wrap Fee. ATFS may in its sole discretion deduct the entirety of the balance of the ATFS account (whether such balance is in cash or securities) when such balance is less than the Wrap Fee in lieu of collecting the Wrap Fee otherwise due.

Each time a Client uses the services offered through the Program, they reaffirm their agreement that ATFS may charge the Wrap Fee to the Client's account, as applicable. In the event ATFS cannot charge the Client's account or funding source, it reserves the right to terminate a Client's access to its advisory services offered through the Program. Termination of accounts in the Program will be undertaken at ATFS's sole discretion. Each Client may also terminate its account with the Program at any time. Upon full termination of a Client's account, assets are liquidated as soon as practicable, unless the Client directs otherwise, and money is returned to the Client via the Client's funding source less any Wrap Fee due and owing, if applicable. Once the account termination process is initiated, ATFS will receive the Wrap Fee from the Client with respect to the Client's account, which will be deducted from the transferring proceeds.

A wrap fee account may not be in the best interest of a Client with minimal or no trading activity as compared to a non-wrap fee account or brokerage account where the Client would

otherwise pay trading costs as incurred but a lower fee in a non-wrap account or no advisory fee in a brokerage account. In that case, Clients would not receive the services provided by ATFS through the Program, which are designed, among other things, to determine which investments are appropriate for the portfolio and the Client's account. The Firm's decision to trade or rebalance a portfolio will largely be guided by its fundamental research process, which is driven by both proprietary qualitative and quantitative methods. ATFS may execute trades at its discretion based on this research process, under the oversight of its investment committee. Aside from covering your transaction costs, fees associated with the Program include access to our proprietary investment strategies and in-house research, and therefore may be higher than a typical advisory fee for a traditional ETF, registered investment company ("RIC"), or similar advisory product. ATFS believes its Wrap Fee is reasonable considering the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs.

Potential Ancillary Fees and Expenses Not Covered By the Wrap Fee

Below is a list of ancillary fees Clients may incur that are not included in the Program's Wrap Fee. These fees would be incurred based on a Client's request, and in some cases may be beyond our control, and are accordingly excluded from the fees and services covered by the Wrap Fee. Should a Client incur any of these fees, such Client will be responsible for their payment in accordance with the terms and conditions of the investment advisory agreement and such Client's other account opening agreements. This list of fees is the current list of ancillary fees, but we reserve the right to change these fees in the future.

Banking

- Outgoing Wire Transfers – \$25 (Domestic), \$50 (Foreign)
- Paper Checks - \$5 per check (Domestic), \$10 per check (International)
- Returned ACH, Checks, Wires, and Recalls (including amendments/repair) – \$30 each
- ACH Notice of Correction (NOC) Fee – \$5 per notice
- Stop Payments on Apex Issued Checks - \$30 per check
- Check Copies - \$15 each
- Third Party Distribution Notification - \$2 per notification
- Third Party Journal - \$0.05 per journal
- Overnight Check - \$50 (Domestic), \$100 (International)

Account-Based:

- Electronic Statement & Electronic Trade Confirms – \$0
- Paper Confirms – \$2 per confirm
- Paper Account and Tax Statements – \$5 per statement
- Paper Prospectuses - \$2.50 per mailing
- Escheatment Processing & Notice - \$75 per account

ACAT (Automated Customer Account Transfer):

- ACAT Outgoing – \$75 per account

In addition, Apex may pass through to you additional fees or costs that it is invoiced for or incurs from third-parties as a result of a Client's action (e.g., resulting from certain ACH return codes, fees associated with ADRs, etc.) regardless of whether such fees or costs are specifically denoted herein.

Atlas Private Client

Investment advisory fees for Atlas Private Client are calculated by ATFS and deducted from the Client's account[s] at the applicable custodian. ATFS shall send an invoice to the applicable custodian indicating the amount of the fees to be deducted from the Client's account[s] held at the applicable custodian in advance of each quarter. The amount due is calculated by applying the quarterly rate (annual rate divided by 12) to the market value of assets under management as of the end of the prior quarter.

Clients will be provided with a statement, generally quarterly, from the applicable custodian reflecting the deduction of the wealth management fee. Clients provide written authorization permitting advisory fees to be deducted by ATFS to be paid directly from their account[s] held by the applicable custodian as part of their investment advisory agreement and separate account forms provided by the applicable custodian.

Advance Payment of Fees and Termination

Wrap Fee Program

Each time a Client uses our advisory services, they reaffirm their agreement that ATFS may charge the Client's account, as applicable. In the event ATFS cannot charge the Client's account or funding source, it reserves the right to terminate a Client's access to its advisory services. Termination of accounts will be undertaken at ATFS's sole discretion. Each Client may also terminate its account at any time. Upon full termination of a Client's account, assets are liquidated as soon as practicable, unless the Client directs otherwise, and money is returned to the Client via the Client's funding source less any Wrap Fee due and owing, if applicable. Once the account termination process is initiated, ATFS will receive the Wrap Fee from the Client with respect to the Client's account, which will be deducted from the transferring proceeds.

Atlas Private Client

For wealth management services offered through Atlas Private Client by ATFS, fees will be based on a percentage of the client's total managed assets and are paid in arrears or in advance based on the previous quarter's end value or average daily balance as agreed upon by ATFS and the Client. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party.

Compensation for Sales of Securities

ATFS does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account

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

ATFS does not charge performance-based fees for its investment advisory services. The fees charged by ATFS are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

ATFS does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

Item 7: Types of Clients

Wrap Fee Program and Financial Counseling Services

Through the Program, ATFS provides investment advice to individuals who are U.S. citizens or lawful residents of the U.S. who have a social security number or individual taxpayer identification number, are located in the U.S., have a valid U.S. residential mailing address, and maintain a U.S. banking account.

ATFS allows Clients to utilize the Financial Counseling Service available through the Theme Platform with no account minimum.

However, in order to invest in the model portfolios available through the Program on the Theme Platform, Clients must initially deposit or invest a minimum of \$1,500 and maintain an account value greater than \$1,000. If a Client wishes to withdraw funds and reduce the account value below \$1,000, ATFS reserves the right to close the Client's account. ATFS reserves the right to change its minimum account size or value in the future at its discretion.

Atlas Private Client

ATFS primarily provides its wealth management services via Atlas Private Client to high-net-worth individuals and associated trusts, estates, pension and profit-sharing plans, and other legal entities. The minimum account size for Atlas Private Client is generally \$100,000, but this amount is negotiable at the Firm's discretion.

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

Methods of Analysis

ATFS primarily employs fundamental and technical analysis methods in developing investment strategies for its Clients. Research and analysis from ATFS are derived from numerous sources, including financial media companies, third-party research materials, professional data subscriptions, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Wrap Fee Program

Fundamental Proprietary Research Process for Portfolio Strategies in the Program

For the Program, ATFS has developed a fundamental research process, which includes both qualitative and quantitative factors, that it employs to construct and manage a concentrated basket of equities while providing hedging. The research process aims to select equities who align with the subject matter of a particular portfolio strategy and whose underlying businesses meet certain characteristics such as the following: durable competitive advantages, high returns on capital, strong management teams, and attractive valuations. These criteria, among others, are used to monitor and manage each portfolio strategy.

For Clients of the Program, ATFS does not engage in holistic financial planning. ATFS's primary approach in the Program is to provide its Clients with the opportunity to invest in long-term oriented portfolio strategies of stocks and ETFs with personalized hedging, similar to how classic long/short equity managers invest.

As part of the analysis and review process for its portfolio strategies, ATFS may add, remove, re-categorize or replace portfolio strategies or assets within a given portfolio strategy offered by the Program. In the event an asset is removed from a portfolio strategy and replaced with another substantially similar asset, ATFS will liquidate Client positions to cash and directly initiate a reinvestment in the replacement investment. In the event a portfolio strategy in which a Client is invested is re-categorized from a suitability standpoint, the Client will be promptly informed and given the option to continue holding or liquidate its position.

As noted above, ATFS generally employs a long-term investment strategy for its Clients in the Program, as consistent with their financial goals. ATFS will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, ATFS may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector, or asset class.

Management through Similarly Managed "Model" Accounts

ATFS manages Client accounts through the use of similarly managed “model” portfolio, whereby ATFS allocates all or a portion of its Clients’ assets among equity securities, ETFs, and cash equivalents on a discretionary basis using its proprietary research processes. To manage Client accounts, ATFS employs its fundamental research processes, described above, which determine security selection and allocation amongst one or more portfolio strategies. For each Client investment goal, ATFS invests in a selected number of equity securities that change as the ATFS investment team deems appropriate, under the oversight of ATFS’s Chief Investment Officer. The securities selected and the hedging techniques employed in a certain portfolio strategy are contingent on the portfolio strategy’s growth objectives and risk profile.

ATFS’s recommendations of one or more portfolio strategies to a Client may be adjusted based on updates to such Client’s personal information and adjustments to the algorithm used to inform such recommendations. In general, choosing a shorter time horizon, lower risk tolerance, and more conservative investment goals will result in a more conservative portfolio strategy recommendations, and choosing a longer time horizon, higher risk tolerance, and more aggressive investment goals will result in a more aggressive portfolio strategy recommendation. The only type of restrictions a Client may impose on the portfolio strategy is the portfolio strategy they choose to invest in and amount of assets in the Client account. A Client will not be able to select specific securities or restrict the purchase of specific securities, but each Client will be able to change his/her risk profile to generate a different set or combination of portfolio strategy recommendations from ATFS.

ATFS monitors and manages Client accounts, including but not limited to security selection, rebalancing (generally no less than quarterly), and other investment considerations.

Rebalancing and Ongoing Management

As the value of the assets in a given portfolio strategy fluctuates, the portfolio strategy could diverge from the portfolio strategy’s identified risk profile. Rebalancing, the practice of adjusting a Client’s portfolio back to the original desired risk profile of its underlying portfolio strategies, typically occurs during the course of ATFS’s research processes. For example, upon adjusting the allocation of an asset within a portfolio strategy, ATFS could take the opportunity to rebalance Client portfolios during that same window to reflect this adjustment. This means rebalancing occurs opportunistically instead of on a chronological cadence. To participate in the Program, Clients must agree to have their accounts rebalanced, generally no less than quarterly, at ATFS’s discretion. While ATFS seeks to ensure that portfolio strategies are managed in a manner consistent with their indicated investment objectives and risk tolerance, securities transactions effected pursuant to a model investment strategy are usually done without regard to a Client’s individual tax ramifications or market conditions. As a consequence of rebalancing, Clients may incur potentially adverse tax consequences. ATFS does not render tax advice to Clients, who should consult their own tax advisers for specific guidance.

Atlas Private Client

For its Atlas Private Client offering, ATFS develops customized investment recommendations for each Client based on a variety of factors including the Client's investment objectives and risk tolerance among other factors. The Firm typically meets with the new individual Client at least once before developing an investment plan and recommended asset allocation strategy. The Firm works carefully to understand each individual Client's risk tolerance and investment goals, but Clients should understand that all investing involves the risk of loss.

The Firm primarily invests for relatively long-term periods (more than 3 years) using primarily an index-based approach to investing in a broad range of diversified exchange-traded funds (ETFs) and mutual funds in addition to direct ownership of individual equities. In addition to mutual funds and ETFs, the Firm may provide advice on exchange traded notes (ETNs), bonds, stocks, hedge funds, private equity funds, real estate, restricted stock, private stock, and structured notes. In managing client assets, the Firm seeks to limit risk through diversification among asset classes and, as appropriate for certain clients, will recommend third party sponsored alternative investments or sub advisors.

Risk of Loss

No guarantee or representation is made that Client accounts will achieve their investment objective. Investing involves risks. The risks set out below do not purport to be exhaustive. Additional risks and uncertainties that are currently unknown or currently deemed immaterial may become material factors that affect clients. Prospective Clients should carefully consider the risks involved in an investment with ATFS.

ATFS does not guarantee the future performance of any Client's account or portfolio strategy. Clients must understand that the portfolio strategies that they choose to make investments in via the Program 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.

Subject to the Advisers Act, ATFS shall have no liability for any losses in a Client's account. The price of any security can decline for a variety of reasons outside of ATFS'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 ATFS's judgment or investment decisions about particular securities will necessarily produce the intended results. ATFS's judgment may prove to be incorrect, and 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 ATFS and the applicable custodian (Apex, in the case of the Program) may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Program, by its automated nature,

limits excessive trading risk, although human programming error may result in excessive trading. ATFS cannot guarantee any level of performance or that any Client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

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 entering the Program and investing in the portfolio strategies offered by ATFS or obtaining ATFS's services through Atlas Private Client. 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 and/or exchange-traded fund 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 Client account to underperform relative to the overall market.

Investment Risk

There is no guarantee that ATFS's judgment, recommendations, or investment decisions about particular portfolio strategies, securities, or asset classes will necessarily produce the intended results. ATFS's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives by investing in the portfolio strategies. ATFS may also make future changes to the investing algorithms and services that it provides. In addition, it is possible that Clients or ATFS itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to ATFS's software-based financial service.

Volatility and Correlation Risk

Clients should be aware that ATFS's asset selection process for the portfolio strategies is 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.

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

The portfolios will typically 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.

Hedging Risk

Although hedging strategies in general are usually intended to limit or reduce investment risk, they may not achieve the anticipated effect. In fact, they may result in poorer overall performance for the portfolio than it could have achieved had it not engaged in such hedging transactions. Furthermore, the portfolio will always be exposed to risks that cannot be hedged.

ETF Risks, including Net Asset Valuations and Tracking Error

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

Clients should be aware that to the extent ATFS invests in ETF securities, they will pay two

levels of compensation – the Wrap Fee charged by ATFS plus any management fees charged by the issuer of the ETF. This scenario may cause a higher cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

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

Fundamental Investment Strategy Risks

ATFS's portfolio management and trading decisions are based on fundamental research conducted by its professionals. 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. ATFS 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 ATFS 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 ATFS. 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.

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 ATFS and

The applicable clearing broker-dealer and custodian for your account 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. While ATFS values the securities held in Client accounts based on reasonably available exchange-traded security data, ATFS may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to ATFS.

Credit Risk

ATFS cannot control and 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. ATFS seeks to limit credit risk through ETFs, which are subject to regulatory limits and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk

Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser, 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 ATFS may be affected by the risk that currency devaluations affect ATFS's purchasing power.

Automated Investing

ATFS relies on static questionnaires consisting of a limited number of questions that form the sole basis for its investment recommendations. 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, ATFS does not 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.

Operational Risk

Operational risk is the exposure to the chance of loss arising from shortcomings or failures in internal processes or systems of ATFS, or Apex, Schwab, or Altruist external events impacting those systems, and human error. A Client 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 other operational mistakes (“Operating Events”) occasionally may occur in connection with ATFS’s management of Client accounts. ATFS has policies and procedures that address identification and correction of Operating Events. An Operating Event generally is compensable by ATFS to a Client when it is a mistake (whether an action or inaction) in which ATFS has, in ATFS’s reasonable view, deviated from the applicable investment guidelines or the applicable standard of care in managing a Client 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 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 account; and (iv) incorrect allocations of trades. Operating Events can also occur in connection with other activities that are undertaken by ATFS, such as fee calculations, and other matters that are non-advisory in nature.

ATFS 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 ATFS 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 accounts generally are corrected in accordance with the procedures established by ATFS and/or the applicable clearing broker-dealer and custodian for a Client account.

When ATFS determines that reimbursement by ATFS is appropriate, the Client will be compensated as determined in good faith by ATFS. ATFS 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 ATFS considers relevant. Compensation generally will not include any amounts or measures that ATFS determines are speculative or uncertain.

Cybersecurity Risks

ATFS 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 ATFS's Clients by interfering with the processing of transactions, affecting ATFS'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 ATFS 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 we have 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 we invest, which could result in material adverse consequences for such issuers and may cause a Client's investment in such securities to lose value.

Reliance on Management and Other Third Parties

ETF investments will rely on third-party management and advisers. ATFS 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 ATFS's investment strategies. Changing external economic conditions in the U.S. and global economics could have a significant impact on the success of the Platform 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 Platform to operate. Changing economic conditions, thus, could potentially adversely impact the valuation of Clients' investments in securities via the Platform.

Large Investment Risks

Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of that the investment.

Other Catastrophic Risks

Clients, ATFS, and their respective affiliates, 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) other public health crises, including any outbreak of COVID-19, 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 ATFS'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 ATFS 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 ATFS to fulfill its investment objectives on behalf of its Clients.

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 investments. 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.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear.

Item 9: Disciplinary Information

There are no legal, regulatory, or disciplinary events involving ATFS or its management persons. ATFS values the trust Clients place in the Adviser. The Adviser encourages Clients to perform the requisite due diligence on any Adviser or service provider that the Client engages. The backgrounds of the Adviser and its Advisory Persons are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with the Adviser's firm name.

Item 10: Other Financial Industry Activities and Affiliations

ATFS is affiliated with ATFS Markets LLC (“ATFS Markets”) through common ownership of Atlas Financial Services, Inc. ATFS Markets is an SEC-registered broker-dealer and a member of FINRA/SIPC. Certain of the Firm’s personnel are registered representatives of ATFS Markets LLC to the extent necessary or appropriate to perform their responsibilities. The Firm and ATFS Markets LLC have overlapping some officers and personnel, and also share office space and certain expenses.

ATFS Markets LLC is not operating at this time.

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

ATFS's ethical and legal duty is to act at all times as a fiduciary to its clients. This means that ATFS puts the interests of its clients ahead of its own and seeks to manage any perceived or actual conflict of interest that may arise in relation to our advisory services. ATFS has adopted a Code of Ethics ("COE"), which is designed to ensure that it meets its fiduciary obligation to clients, enhances its culture of compliance within the firm, and detects and prevents any violations of securities laws.

ATFS's COE establishes standards of conduct for ATFS's officers and employees ("Supervised Persons") and is consistent with the Code of Ethics requirements of Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The COE includes general requirements that all Supervised Persons comply with their fiduciary obligations to clients and applicable securities laws, and also contains specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, and confidentiality of client information. ATFS's COE will be provided to any client or prospective client upon request.

ATFS and its employees may purchase, sell, or otherwise enter into transactions for their own accounts in securities and other instruments. Prior to, or simultaneously with, or after such transactions, ATFS may, for its Clients, via the Platform, provide suggestions for purchasing stock involving any of these same securities or other instruments and any related securities or instruments (including securities issued by the same issuer, options on such securities or instruments, and instruments convertible into such securities or instruments). ATFS has adopted the Code of Ethics discussed above to address potential conflicts. Subject to certain restrictions, ATFS and each of their employees personally may at any time hold, acquire, increase, decrease, dispose of or otherwise deal with positions in investments in which a Client may have an interest from time to time. ATFS has no obligation to recommend or acquire for a Client account a position in any security which it acquires or recommends on behalf of another Client, or which an employee acquires for his or her own account.

Transactions effected for all Client accounts are not aggregated or combined with employee's personal orders. In all instances ATFS will act in the best interests of its Clients.

Item 12: Brokerage Practices

Each Client is required to enter into an investment advisory agreement with the Firm, which discusses the services the Client will receive, the fees charged to the Client, and the conditions of the Client's relationship with the Firm. Our advisory relationship begins upon the effective date of the investment advisory agreement with a Client. Any preliminary information provided to a Client before we accept the investment advisory agreement does not constitute investment advice under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and should not be relied on as such.

The Firm does not provide brokerage or custodial services. The Firm 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. We consider 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 us in making investment decisions, quality of services, competitiveness of the price of those services, reputation, financial strength, and stability of the provider.

Wrap Fee Program

For the Program, Clients enter into an agreement whereby Apex Clearing Corporation ("Apex"), an unaffiliated SEC-registered broker-dealer and Financial Industry Regulatory Authority ("FINRA") member, will act as the introducing and clearing broker and qualified custodian for Client accounts (the "Customer Agreement"). Apex provides brokerage-related services to ATFS and Clients within the Program. Under the terms of the Customer Agreement, the Client authorizes (i) Apex to introduce all securities trades and transactions from ATFS to Apex and (ii) Apex to establish and carry the Client's account that holds the Client's securities and cash and records the Client's transactions in the Program. Using Apex's application program interface ("API"), the Platform allows Clients to create an investment account instantly. All account opening functionalities, including identity verification and approval, are handled digitally and instantly by ATFS in coordination with Apex. The investments in each Client's account are held in a separate account in the name of the Client at Apex, and not with ATFS, Atlas, or any other ATFS affiliates.

The Firm's use of Apex will comply with its duty to obtain "best execution." In seeking best execution, the determinative factor is not just cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the broker's services described above. Clients in the Program cannot designate or select a different broker for trade execution.

The Firm may use other brokers to execute trades for Client accounts other than Apex.

As part of its best execution responsibilities, the Firm reviews and monitors, among other things, (a) data and/or reports regarding execution costs of transactions executed by Apex.

The Firm seeks to ensure that Clients' transactions are conducted in the best interest of Clients, including by continuing to seek to obtain best execution for Clients through the Firm's review and adoption of Apex's best execution policies and procedures, and any material updates thereto with regard to trades placed by or through Apex. In addition, the Firm's trade allocation policy seeks to (i) provide a fair allocation of purchases and sales of investments among Clients, (ii) not systematically advantage one Client over another, and (iii) ensure compliance with appropriate regulatory requirements.

Atlas Private Client

ATFS generally recommends that clients arrange for their assets to be held with Charles Schwab ("Schwab") or Altruist Financial LLC ("Altruist"). The Firm generally executes securities transactions through the institution where client accounts are held. The Firm believes that both Schwab and Altruist provide reliable, quick, responsive, and efficient brokerage services.

Schwab and Altruist provide the Firm with access to their institutional trading and operational services, which are typically not available to retail individual investors. Their services also include custody and access to mutual funds and other investments that are otherwise generally available only to institutional investors or that would require a significantly higher minimum initial investment. Additionally, Schwab and Altruist generally does not charge clients separately for custody of their investment accounts, but is compensated by account holders through commissions, transaction-related fees or asset-based fees.

Best Execution Considerations

Subject to the Clients' investment advisory agreements that govern their participation in Atlas Private Client, the Firm has discretionary authority to determine the type, amount, and price of securities and investments to be bought and sold on behalf of each Client, including the selection of, and commissions paid to, brokers. The Firm considers a variety of factors in its selection of trading counterparties.

The Firm seeks to trade with reputable counterparties. In addition to trading costs and listed prices, the Company periodically and systematically evaluates approved counterparties based on factors such as:

- The ability to execute large or difficult transactions;
- The brokers' or dealers' facilities;
- The ability to execute quickly when necessary;
- The ability to work orders when necessary;
- The ability to obtain locates for short sales
- Special execution capabilities;
- Efficiency of execution and error resolution;
- Willingness to execute related or unrelated difficult transactions in the future;

- Custody, recordkeeping, and similar services
- The protection of proprietary trading information;
- Financial responsibility, regulation, and integrity;
- The frequency of trade errors; and
- The responsiveness to ATFS during trading and settlement.

ATFS has not acquired any products or services with client brokerage commissions. Services constituting “research” under Section 28(e) that ATFS may receive may include, but are not limited to: research reports; financial newsletters and trade journals; attendance at certain seminars and conferences; economic and market information; industry and company comments; technical data; recommendations; information on industries, groups of securities, individual companies, political developments, legal developments affecting portfolio securities and technical market action; statistical information; accounting and legal interpretations relating Client account transactions; credit analysis; risk measurement analysis, and performance analysis. These research services are received primarily in the form of written reports, calls, and meetings with research analysts. In addition, such research services may be provided in the form of access to computer-generated data and meetings arranged with corporate and industry spokespersons, economists, academicians and/or government representatives.

Products and services constituting “brokerage” under Section 28(e) that the Company may receive may include, but are not limited to: services related to the execution, clearing and settlement of securities transactions and functions incidental thereto, such as connectivity services between ATFS and a broker-dealer and other relevant parties such as custodians; trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; trade clearance and settlement; electronic communication of allocation instructions; routing of settlement instructions; post-trade matching of trade information; and services required by the SEC or a self-regulatory organization, such as comparison services, electronic confirms or trade affirmations.

Directed Brokerage

Clients generally do not direct the Firm to trade through any particular counterparty. A Client’s insistence on the use of one or more particular counterparties in connection with the trading of its account can have a materially adverse effect on the quality of execution that is available to the client. Among other things, Clients that direct the use of trading counterparties may pay higher transaction costs as a result of being excluded from aggregated orders, and trade after other Clients have traded.

Trade Aggregation and Allocation

Trading activities of Client accounts will occasionally overlap. While Client accounts invest in the same issuers, the purchase and sale of such investments may be at different times and upon different terms, based on each Client’s overall investment objectives and strategy, legal

or regulatory concerns, and/or other relevant considerations.

When ATFS purchases or sells securities of the same issuer at the same time for the Clients, ATFS may submit an aggregated trade for execution if ATFS believes that the use of an aggregated trade reasonably furthers its efforts to seek best execution. Participants in aggregated trades receive the average execution price and incur their pro rata share of the trading costs.

To the extent that partial fills occur, ATFS will allocate the results of the partially completed trade pro rata between participating Clients based on the initial allocation instructions submitted for execution. Impacted accounts receive the average execution price and incur their pro rata share of the trading costs with respect to the partially completed trade.

Instances in which Client orders may not be aggregated include, but are not limited to, the following: (1) ATFS determines that the aggregation is not appropriate because of market conditions; (2) situations where ATFS must effect the transactions at different times or prices, making aggregation unfeasible; and (3) a determination is made by ATFS not to aggregate orders because of tax, legal, regulatory or administrative reasons such as typical trading increments or quantities.

Trade Errors

While ATFS takes the utmost care in making and implementing investment decisions on behalf of Clients, it may make an error while placing a trade for Clients. ATFS attempts to minimize trade errors by promptly reconciling confirmations with trade tickets, and by reviewing past trade errors to understand the internal control breakdown that caused the errors. If ATFS makes an error while placing a trade, it will seek to correct the error promptly in a way that mitigates any losses. The cost of errors will be borne by ATFS

for any error that is the result of bad faith, gross negligence, or willful misconduct by ATFS. ATFS will generally bear any costs associated with correcting any error in a Client's account subject to the terms of the relevant investment management agreement.

Valuation of Client Assets

ATFS relies on the custodians of Client accounts to provide accurate valuations of Client investments. The Firm does not value investments separately from the values received from the custodians of the Client accounts. However, ATFS's periodic Client investment performance reports may vary slightly from custodial statements received by its Clients due to the Firm's reliance on third party portfolio management systems to aggregate Client account information. Clients should contact ATFS if any significant discrepancies or errors are discovered.

Item 13: Review of Accounts

Wrap Fee Program

ATFS monitors Client portfolios and underlying strategies on an ongoing basis, not less than quarterly, utilizing an algorithm, to identify situations that may warrant a more detailed review or a specific action on behalf of a Client. Such reviews include, but are not necessarily limited to, inactivity, unusual funding behavior, and material changes in the economic or market environment. Additionally, ATFS will contact or remind Clients on at least an annual basis to ask if there have been any changes to their financial situation and investment objectives, and to update their information. ATFS, as applicable, conducts reviews when material changes may have occurred to a Client's portfolio or investment objectives. ATFS will retain the Client account review documentation electronically. ATFS may not monitor all Client accounts at all times.

ATFS considers implications and the volatility associated with each of its chosen asset/classes when deciding when and how to rebalance. To the extent possible, every deposit of funds by the Client into his or her investment account will be allocated in accordance with the Client's portfolio. Client accounts may be rebalanced upon the occurrence of any funding of the account or the change of an investment position. This generally means that rebalancing will occur no less frequently than once a quarter.

Apex prepares statements showing all transactions and account balances on a monthly basis. All information relating to Client accounts, including account performance and account balance, are provided on the Platform in real-time. ATFS urges Clients to compare Apex account statements with the information available on the Platform.

Atlas Private Client

For Atlas Private Client, ATFS strives to review managed Client accounts regularly with Clients, but there is no rigid schedule for doing so. However, Clients are offered a review on an annual basis. Each Client works with a dedicated advisor who is responsible for helping them determine an investment plan, establishing a target allocation percentage and answering any questions the client may have about their specific financial situation.

ATFS reviews Client accounts periodically to ensure allocation thresholds are being met, and to invest money or withdraw it as necessary given the Client's guidelines. Additional or focused reviews can be triggered by factors such as political and economic developments, corporate announcements, and changes in market conditions.

Client Reports

ATFS provides quarterly reports on managed Client accounts and balances. Clients may also receive regular monthly statements from their applicable custodian(s) for the same accounts which show account transactions and month-end holdings.

Clients should review their custodial statements and contact ATFS if any significant discrepancies or errors are discovered.

Item 14: Client Referrals and Other Compensation

Wrap Fee Program

With respect to the Program, ATFS does not directly compensate or receive compensation from other entities.

Atlas Private Client

Compensation Received by ATFS

ATFS receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian.

Client Referrals from Solicitors

ATFS does not compensate, either directly or indirectly, any persons who are not supervised persons, for Client referrals.

Item 15: Custody

All Clients must place their assets with a “qualified custodian.” Clients are required to engage the applicable custodian (whether Apex for the Program, or Schwab or Altruist for Atlas Private Client) to retain their funds and securities and direct ATFS to utilize that custodian for the Client’s security transactions. Clients should review statements provided by the applicable custodian and compare to any reports provided by ATFS to ensure accuracy, as the custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person’s account. Your custodian (whether Apex for the Program, or Schwab or Altruist for Atlas Private Client) maintains actual custody of your assets. You will receive account statements directly from your custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the custodian. You should carefully review those statements promptly when you receive them. ATFS also urges you to compare the custodian’s account statements with the periodic account statements/portfolio reports you will receive from us.

Item 16: Investment Discretion

ATFS generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by ATFS. The discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of a wealth management agreement containing all applicable limitations to such authority. All discretionary trades made by ATFS will be in accordance with each Client's investment objectives and goals.

Item 17: Voting Client Securities

ATFS does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Adviser will assist in answering questions relating to proxies. However, the Client retains the sole responsibility for proxy decisions and voting.

Item 18: Financial Information

Neither ATFS, nor its management, have any adverse financial situations that would reasonably impair the ability of ATFS to meet all obligations to its Clients. Neither ATFS, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. ATFS is not required to deliver a balance sheet along with this Firm Brochure as the Adviser does not collect advance fees of \$1,200 or more for services to be performed six quarters or more in the future.

ATFS Advisers LLC

Form ADV Part 2A – Appendix 1

Wrap Fee Program Brochure

12121 W. Olympic Blvd, #2067, Los Angeles, CA 90064

www.atlasfinancial.com

January 3, 2024

This Wrap-Fee Program Brochure provides information about the qualifications and business practices of ATFS Advisers LLC (“ATFS”). If you have any questions about the contents of this wrap fee brochure, please contact us at support@atfsadvisers.com or (805) 557-8713. The information in this wrap fee brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. ATFS is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”); however, such registration does not imply a certain level of skill or training. Additional information about ATFS is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Item 2 discusses material changes since our initial Wrap-Fee Program Brochure filing on October 20, 2023. This summary of material changes does not describe all modifications, such as updates to dates and numbers, stylistic changes, corrections or clarifications.

Summary of Material Changes since our initial Wrap-Fee Program Brochure filing on October 20, 2023:

- We increased our minimum initial deposit size to \$1,500.
- We added a requirement that the Wrap Fee Program's clients must maintain an account value of at least \$1,000, and if a client wishes to withdraw funds and reduce the value of their account below \$1,000, ATFS reserves the right to close the client's account.
- ATFS reserves the right to change its minimum account size or value in the future at its discretion.
- ATFS now only charges an asset-based fee of 1.00% per year, charged monthly in arrears, for its services through the Wrap Fee Program, regardless of account size. There is no longer a fixed fee.

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Item 4: Services, Fees, and Compensation

Firm Description

ATFS Advisers LLC (hereinafter referred to as “ATFS,” the “Firm,” “we,” “us,” or “our”) is a Delaware limited liability company with its principal office located at 12121 W. Olympic Blvd., #2067, Los Angeles, CA 90064 and is registered with the Securities and Exchange Commission (the “SEC”) as an investment adviser. ATFS was formed in October 2022 and is wholly-owned by Atlas Financial Services, Inc. (“Atlas”). Atlas is a privately held company headquartered in Venice, California. Information about the Firm’s organizational and ownership structure is provided on Part 1 of the Firm’s Form ADV, which is available online at www.adviserinfo.sec.gov. The contents of this Wrap Fee Program Brochure specifically apply to the Wrap Fee Program sponsored by ATFS and do not apply to any other products or services offered by ATFS outside of the Wrap Fee Program.

Wrap Fee Program Services

Through its Wrap Fee Program, ATFS provides discretionary investment advisory services (“Services”) to retail investors (“Clients”) exclusively through an investment services technology platform offered only through the Firm’s mobile application (the “Platform”) owned by Atlas. The Services are provided in a Wrap Fee Program that bundles or “wraps” services together and charges a single fee based on the value of assets under management (the “Program”). The Services included in the Program are advisory, trade execution, clearance, settlement, custody, and reporting, among others. The Program seeks to provide personalized, long-term oriented investment portfolio strategies that are primarily invested in what ATFS considers high-quality assets in certain market sectors, industry sectors, and cultural trends.

The Program does not provide 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 ATFS 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 offered through the Program or determining any Client’s individual tax treatment regarding such account. Furthermore, neither ATFS nor any of its affiliates is responsible for withholding any tax penalties that may apply to Clients’ ATFS accounts or for any state or federal income tax withholding, except as may otherwise be required by applicable law.

The Program seeks to provide personalized, long-term oriented investment portfolio strategies following our proprietary equity strategies known as “Themes.” Each strategy consists primarily of a concentrated basket of stocks and exchange-traded funds (“ETFs”), along with possible hedging to protect against market downturns. The assets in each strategy (the “Strategy Assets”) are determined via our proprietary and fully discretionary research process and are actively managed. The philosophy of the Program’s investment process is

largely to identify “high-quality” investments that meet a set of characteristics such as good growth prospects and a reasonable valuation and match the subject matter of a certain strategy. Any portfolio rebalancing and tactical trading during periods of excess volatility aim to enhance risk-adjusted returns. By following this philosophy, ATFS aims to grow Clients’ capital over a multi-year time horizon. ATFS will recommend one or more of its strategies based on a Client’s investment objectives, risk tolerance, and financial parameters, but Clients may invest in a personalized blend of these strategies based on personal information, research, and interests, including investment objectives, risk tolerance, and financial parameters. This recommendation utilizes an output from an algorithm that analyzes a Client’s investment objectives, risk tolerance, and financial parameters to identify appropriate investments and automate the investment recommendation process. Although the Platform recommends the model portfolio that the algorithm believes is best suited for the Client based on suitability questionnaire responses, Clients may opt to invest in a more conservative or more aggressive model than recommended if they choose to do so. Based on the information the Client provides on the Platform, ATFS uses the Platform to provide the Client with automated investment advice in the form of (i) discretionary managed accounts utilizing one of the Firm’s five model portfolios, and (ii) Financial Counseling Service. An algorithm is used to then monitor portfolios and the respective mix of assets in each strategy.

Clients may impose reasonable investment restrictions on the management of the Client’s ATFS account within the Program. Such restrictions may result in a Client’s ATFS account being concentrated in one or a few sectors, industries, or securities. Concentrated positions typically increase the risk and volatility of the ATFS account and will result in a decrease in portfolio diversification. Clients who implement an investment decision that is outside the scope of the Program recommendations should understand that such a decision may not be appropriate based on the Client’s risk profile and that the Client’s portfolio may underperform over any time horizon than a portfolio designed by the Program.

Clients in the Program invest directly in the portfolio strategies under the expectation that the Strategy Assets will increase in value. Each equity portfolio may contain degrees of “hedging” based on the Client’s investment goals and the Program’s hedging strategy, which will be adjusted from time to time by ATFS in its sole discretion. A hedge is an investment that seeks to reduce the risk of the overall portfolio strategy. For example, the Program may use various tools, including, without limitation, inverse exchange-traded funds (“ETFs”) and cash equivalents as hedge instruments for Clients. Inverse ETFs (a type of ETF, which is a ‘basket’ of securities) profit from the decline of an underlying benchmark. For example, an inverse S&P 500 ETF makes money when the market (S&P 500) goes down. As such, this type of security can be used as a portfolio hedge to reduce risk of the overall portfolio strategy. The Program may employ its hedging strategy automatically on behalf of Clients, if in the best interests of Clients.

An inverse ETF or other hedging techniques are not a guarantee or “insurance” that the portfolio will not experience losses. **The Program is not a complete investment program and Clients should not use it as the sole component of their investment plan.**

The Program

The Firm's Program interacts with its Clients predominantly through a software application that is available through mobile platforms (the "Platform"). The advisory services in the Program are delivered solely through the Platform. ATFS does not provide investment advice to the Program's Clients in person or over the phone or in any manner other than through the Platform. The Firm's Program maintains an online presence through the Firm's website, www.atlasfinancial.com, primarily for informational purposes. Each Client provides personal information about themselves, including financial resources, investment goals and objectives, and their risk tolerance through the Platform by answering a questionnaire. ATFS utilizes the information from the questionnaire to create an investment portfolio that is customized to Clients' risk tolerance, financial parameters and investment objectives. For each Client's portfolio plan, ATFS considers the Client's employment status, income, investment goals and reasons to invest, time horizon and net assets. ATFS evaluates each Client's responses and recommends one or more portfolio strategies from among conservative, moderate and aggressive growth portfolio strategies and allocations of the Client's funds between the recommended portfolio strategies. For instance, a more aggressive portfolio may contain less hedging and/or more volatile Strategy Assets, which means the portfolio has more potential upside but also more potential risk during downturns. The portfolio recommendation created by ATFS for each Client is based solely upon the information provided by the Client through the Platform. As such, the suitability of the investment plan recommendations is limited by and relies on the accuracy and completeness of the information provided by the Client. ATFS does not capture any additional information not covered in the questionnaire in making its risk assessment and providing its recommendation of portfolio strategies and allocation between portfolio strategies. After receiving our recommendations, a Client may choose to accept our recommendation or adjust our recommendation before investing. Clients are obligated to update their information through the Platform promptly if there are changes to their financial situation, goals, objectives, risk tolerance, personal circumstances, time horizon or if other relevant information changes or becomes available.

A Client is required to enter into an investment advisory agreement with ATFS, which discusses the services the Client will receive, the fees charged to the Client, and the conditions of the Client's relationship with ATFS. Our advisory relationship begins upon the effective date of the investment advisory agreement with a Client. Any preliminary information provided to a Client before we accept the investment advisory agreement does not constitute investment advice under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and should not be relied on as such.

A Client must also open a securities brokerage account and provide discretionary authority over that account to ATFS. Brokerage accounts, agreements, and order processing will be conducted through Apex Clearing Corporation ("Apex"), an unaffiliated SEC-registered broker-dealer and Financial Industry Regulatory Authority ("FINRA") member, which provides brokerage-related services to ATFS and Clients within the Program. Apex will also provide custody, clearing, and settlement services for the Clients. Clients enter into an agreement whereby Apex will act as the introducing and clearing broker and qualified custodian for Client accounts (such agreement, the "Apex Agreement"). Under the terms of

the Apex Agreement, the Client authorizes (i) Apex to introduce all securities trades and transactions from ATFS to Apex and (ii) Apex to establish and carry the Client's account that holds the Client's securities and cash and records the Client's transactions in the Program. Using Apex's application program interface ("API"), the Platform allows Clients to create an investment account instantly. All account opening functionalities, including identity verification and approval, are handled digitally and instantly by ATFS in coordination with Apex. The investments in each Client's account are held in a separate account in the name of the Client at Apex, and not with ATFS, Atlas, or any other ATFS affiliates.

Impersonal Financial Counseling Service

ATFS also provides certain educational tools to Clients ("Financial Counseling Service") through the Platform. The Financial Counseling Service includes a range of financial information, education, and analysis offered on a limited scope basis. The Financial Counseling Service is impersonal in nature, which means that the advice is not tailored to a Client's, or group of Clients, individual needs and does not purport to meet the objectives or needs of specific Clients or accounts. Consequently, ATFS does not rely on suitability questionnaire information that the Client inputs into the Platform to provide the Financial Counseling Service. The Financial Counseling Service is available to all ATFS Clients.

Brokerage and Custody Services

ATFS has an arrangement with Apex, a third-party qualified custodian, through which execution, clearing, settlement and custody services are provided to Clients. Apex is a FINRA and Securities Investor Protection Corporation ("SIPC") member and SEC-registered broker-dealer.

Fees

The Program charges a "wrap" fee which allows Clients to pay a single fee for the services offered through the Program (the "Wrap Fee"). The Wrap Fee is not based upon transactions in a Client account, but rather is a bundled fee, which includes the costs for advisory services, execution, clearance, custody and account reporting.

Asset-Based Fee

ATFS charges Clients a Wrap Fee will be based on a percentage of the client's total managed assets. The Wrap Fee is 100 basis points (1.00%) per year (asset-based fee). The Wrap Fee is charged monthly, in arrears. The asset-based fee is calculated on the average daily market value of a Client's portfolio over the previous month. Since the asset-based fee is determined by average daily account value, if assets are deposited into or withdrawn from an account after the inception of a month, the base fee payable with respect to such assets is adjusted accordingly. For the initial period of an engagement, the Wrap Fee is calculated on a pro rata basis.

ATFS may from time to time, in its sole discretion, offer lower fees through promotions, referrals and other discounts to some Clients that differ from the Wrap Fee stated above.

In the event the investment advisory agreement is terminated, the Wrap Fee for the final billing period is prorated through the effective date of the termination and the outstanding portion of the Wrap Fee is charged to the Client.

Clients authorize ATFS and Apex through the investment advisory agreement to deduct fees directly from Client custodial accounts at Apex or from their funding source. See “Direct Fee Debit of ATFS’s Fee” below.

ATFS may impose a mandatory cash reserve as part of each investment strategy. The cash will be used to pay ATFS fees and other expenses, as set forth herein. If a Client wishes to withdraw cash, ATFS will sell other assets in the Client’s account to maintain the cash reserve. If a Client is invested completely in an illiquid strategy, such that cash cannot be replenished immediately, the Client will not be able to immediately withdraw the cash portion.

ATFS does not charge a fee for its Financial Counseling Service, which is available to Clients on the Theme Platform.

Fee Comparison

As described above, a portion of the Wrap Fee is used to cover the securities brokerage commissions attributed to the management of the Firm’s Clients’ portfolios. The number of transactions made in Clients’ accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Services provided through the Program may cost Clients more or less than purchasing advisory and execution (brokerage) services separately. The Firm’s Wrap Fee may also be higher or lower than fees charged by other wrap sponsors of comparable investment advisory programs. Since ATFS pays the transactions charges in the Client’s account, there is a financial incentive for ATFS not to place transactions in the Client’s account, or to place fewer trades or trade less frequently.

A wrap fee account may not be in the best interest of a Client with minimal or no trading activity as compared to a non-wrap fee account or brokerage account where the Client would otherwise pay trading costs as incurred but a lower fee in a non-wrap account or no advisory fee in a brokerage account. In that case, Clients would not receive the services provided by ATFS, which are designed, among other things, to determine which investments are appropriate for the portfolio and the Client’s account. The Firm’s decision to trade or rebalance a portfolio will largely be guided by its fundamental research process, which is driven by both proprietary qualitative and quantitative methods. ATFS may execute trades at its discretion based on this research process, under the oversight of its Chief Investment Officer. Aside from covering your transaction costs, fees associated with the Program include access to our proprietary investment strategies and in-house research, and therefore may be higher than a typical advisory fee for a traditional ETF, registered investment company (“RIC”), or similar advisory product. ATFS believes its Wrap Fee is reasonable considering

the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs.

Fee Discretion

ATFS in its sole discretion may from time to time offer lower fees through promotions, referrals and other discounts to some accounts that differ from the Wrap Fee stated above. Conversely, from time to time, ATFS may in its sole discretion also raise its Wrap Fee. Negotiated fees may differ based on factors, including but not limited to, the type and size of the account, the historical and/or expected size and number of trades for the account, and the services to be provided to the Client.

Any such program or initiative may be expanded, narrowed, suspended, canceled or modified at any time by ATFS. To the extent any such program or initiative is canceled or terminated, Clients will once again be charged the then-current Wrap Fee on a going forward basis. ATFS shall have sole discretion in determining whether or not any existing Client or potential Client meets the requirements to participate in and/or benefit from any such program or initiative, and ATFS shall not be liable to the Client or any other party in connection with any such decision and/or in connection with the administration of any such program or initiative generally.

Other Fees

The Program includes all trade charges applicable to a Client's account. However, the Firm's Wrap Fee does not include other related costs and expenses. In addition to the Firm's Wrap Fee, Clients may incur certain other fees imposed by third-party financial institutions. (e.g., transfer fees, administrative fees, other fees). These additional fees and charges may include:

Brokerage, Clearing and Service Provider Charges

The Firm's fees do not cover certain charges imposed by Apex. These types of charges include, but are not limited to, wire transfer fees, paper statement fees, and bounced check fees. Clients also pay their own taxes on gains and income in connection with the account and its activities.

The issuer of some of the securities purchased for Clients, such as ETFs or American Depositary Receipts may charge product fees and expenses that affect Clients. ATFS does not charge these fees to Clients and does not benefit directly or indirectly from any such fees. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. These fees are in addition to the Wrap Fee Clients pay to ATFS. Clients should review all fees charged to fully understand the total amount of fees they will pay.

Direct Fee Debit of ATFS's Fee

Clients authorize and direct ATFS to instruct Apex to deduct the Wrap Fee directly from the

Client's custodial account at Apex or linked funding source and pay those fees to ATFS. ATFS may also take the Wrap Fee from a Client's account by instructing Apex to deduct such fee from the assets in the Client's account. ATFS may, as necessary and in its sole discretion, sell securities in the Client's ATFS account to generate free cash in order to deduct the Wrap Fee. ATFS may in its sole discretion deduct the entirety of the balance of the ATFS account (whether such balance is in cash or securities) when such balance is less than the Wrap Fee in lieu of collecting the Wrap Fee otherwise due.

Each time a Client uses our advisory services, they reaffirm their agreement that ATFS may charge the Client's account, as applicable. In the event ATFS cannot charge the Client's account or funding source, it reserves the right to terminate a Client's access to its advisory services. Termination of accounts will be undertaken at ATFS's sole discretion. Each Client may also terminate its account at any time. Upon full termination of a Client's account, assets are liquidated as soon as practicable, unless the Client directs otherwise, and money is returned to the Client via the Client's funding source less any Wrap Fee due and owing, if applicable. Once the account termination process is initiated, ATFS will receive the Wrap Fee from the Client with respect to the Client's account, which will be deducted from the transferring proceeds.

Account Additions and Withdrawals

Clients may deposit and withdraw from their account at any time, subject to ATFS's right to terminate a Client's account. Deposits to an account must be done via bank transfer. Clients may withdraw account assets on 5 days' notice to ATFS, subject to the usual and customary securities settlement procedures. However, ATFS designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client's investment objectives. Clients are advised that when cash is withdrawn, they may be subject to transaction fees, and/or tax ramifications. Clients may request to transfer their portfolio in kind to another financial adviser by contacting support@atfsadvisers.com to initiate an Automated Customer Account Transfer ("ACAT"). ACATs are subject to certain limitations and a one-time transaction fee discussed later in ancillary fees.

ATFS will process withdrawal requests related to investments Clients hold as part of their portfolio through Apex on a first in, first out (FIFO) basis, meaning assets approved for withdrawal will be processed in the order in which they were invested, unless otherwise directed by the Client.

Potential Ancillary Fees and Expenses Not Covered By the Wrap Fee

Below is a list of ancillary fees Clients may incur that are not included in the Wrap Fee. These fees would be incurred based on a Client's request, and in some cases may be beyond our control, and are accordingly excluded from the fees and services covered by the Wrap Fee. Should a Client incur any of these fees, such Client will be responsible for their payment in accordance with the terms and conditions of the investment advisory agreement and such Client's other account opening agreements. This list of fees is the current list of ancillary fees, but we reserve the right to change these fees in the future.

Banking

- Outgoing Wire Transfers – \$25 (Domestic), \$50 (Foreign)
- Paper Checks - \$5 per check (Domestic), \$10 per check (International)
- Returned ACH, Checks, Wires, and Recalls (including amendments/repair) – \$30 each
- ACH Notice of Correction (NOC) Fee – \$5 per notice
- Stop Payments on Apex Issued Checks - \$30 per check
- Check Copies - \$15 each
- Third Party Distribution Notification - \$2 per notification
- Third Party Journal - \$0.05 per journal
- Overnight Check - \$50 (Domestic), \$100 (International)

Account-Based:

- Electronic Statement & Electronic Trade Confirms – \$0
- Paper Confirms – \$2 per confirm
- Paper Account and Tax Statements – \$5 per statement
- Paper Prospectuses - \$2.50 per mailing
- Escheatment Processing & Notice - \$75 per account

ACAT (Automated Customer Account Transfer)

- ACAT Outgoing – \$75 per account

In addition, Apex may pass through to you additional fees or costs that it is invoiced for or incurs from third-parties as a result of a Client's action (e.g., resulting from certain ACH return codes, fees associated with ADRs, etc.) regardless of whether such fees or costs are specifically denoted herein.

Item 5: Account Requirements and Types of Clients

ATFS provides investment advice to individuals who are U.S. citizens or lawful residents of the U.S. who have a social security number or individual taxpayer identification number, are located in the U.S., have a valid U.S. residential mailing address, and maintain a U.S. banking account.

ATFS allows Clients to utilize the Financial Counseling Service available through the Platform with no account minimum.

In order to invest in the model portfolios available through the Program on the Platform, Clients must initially deposit or invest a minimum of \$1,500 and maintain an account value greater than \$1,000. If a Client wishes to withdraw funds and reduce the account value below \$1,000, ATFS reserves the right to close the Client's account. ATFS reserves the right to change its minimum account size or value in the future at its discretion.

A Client's participation in the Program requires that the Client successfully complete a new account application, including submitting various personally identifiable information required by U.S. federal law. Clients approved for an investment advisory account must maintain a brokerage account pursuant to the Apex Agreement.

A Client's failure to timely update their information in the Platform could materially impact the quality and applicability of ATFS's investment recommendations. ATFS reserves the right to deny any prospective clients access to the Platform and to terminate client accounts for reasons related, but not limited, to unsuitability and/or if clients fail to timely maintain financial and other information previously provided by the client on the Platform or update this information on at least an annual basis.

At any time, Clients may terminate an account, or withdraw all or part of an account. See Item 4 above (Services, Fees, and Compensation) for more information regarding fees the Client may incur upon termination of their account.

Item 6: Portfolio Manager Selection and Evaluation

ATFS is both the sponsor and the sole portfolio manager for the Program. The Program is designed and implemented by ATFS's principal, Tobias Heaslip, alongside the ATFS team. Together they oversee the investment advice offered under the Program. They are responsible for portfolio monitoring; construction, maintenance, and updates to ATFS's investment and research process; preparing and distributing educational content to Clients on a regular basis (generally weekly or bi-weekly), including market research, as well as updates regarding Client portfolios; and other core functions such as maintaining ATFS's technology and managing core ATFS personnel. For a detailed description of ATFS's advisory business and advisory services, see the Services and the Program Description under Item 4 above.

Investment Strategies and Methods of Analysis

Fundamental Proprietary Research Process for Portfolio Strategies

ATFS has developed a fundamental research process, which includes both qualitative and quantitative factors, that it employs to construct and manage a concentrated basket of equities while providing hedging. The research process aims to select equities who align with the subject matter of a particular portfolio strategy and whose underlying businesses meet certain characteristics such as the following: durable competitive advantages, high returns on capital, strong management teams, and attractive valuations. These criteria, among others, are used to monitor and manage each portfolio strategy.

ATFS does not engage in holistic financial planning. ATFS's primary approach is to provide its Clients with the opportunity to invest in long-term oriented portfolio strategies of stocks and ETFs with personalized hedging, similar to how classic long/short equity managers invest.

As part of the analysis and review process for its portfolio strategies, ATFS may add, remove, re-categorize or replace portfolio strategies or assets within a given portfolio strategy offered by the Program. In the event an asset is removed from a portfolio strategy and replaced with another substantially similar asset, ATFS will liquidate Client positions to cash and directly initiate a reinvestment in the replacement investment. In the event a portfolio strategy in which a Client is invested is re-categorized from a suitability standpoint, the Client will be promptly informed and given the option to continue holding or liquidate its position.

Management through Similarly Managed "Model" Accounts

ATFS manages Client accounts through the use of similarly managed "model" portfolio, whereby ATFS allocates all or a portion of its Clients' assets among equity securities, ETFs, and cash equivalents on a discretionary basis using its proprietary research processes. To manage Client accounts, ATFS employs its fundamental research processes, described above, which determine security selection and allocation amongst one or more portfolio strategies. For each Client investment goal, ATFS invests in a selected number of equity securities that

change as the ATFS investment team deems appropriate, under the oversight of ATFS's Chief Investment Officer. The securities selected and the hedging techniques employed in a certain portfolio strategy are contingent on the portfolio strategy's growth objectives and risk profile.

ATFS's recommendations of one or more portfolio strategies to a Client may be adjusted based on updates to such Client's personal information and adjustments to the algorithm used to inform such recommendations. In general, choosing a shorter time horizon, lower risk tolerance, and more conservative investment goals will result in a more conservative portfolio strategy recommendations, and choosing a longer time horizon, higher risk tolerance, and more aggressive investment goals will result in a more aggressive portfolio strategy recommendation. The only type of restrictions a Client may impose on the portfolio strategy is the portfolio strategy they choose to invest in and amount of assets in the Client account. A Client will not be able to select specific securities or restrict the purchase of specific securities, but each Client will be able to change his/her risk profile to generate a different set or combination of portfolio strategy recommendations from ATFS.

ATFS monitors and manages Client accounts, including but not limited to security selection, rebalancing (generally no less than quarterly), and other investment considerations.

Rebalancing and Ongoing Management

As the value of the assets in a given portfolio strategy fluctuates, the portfolio strategy could diverge from the portfolio strategy's identified risk profile. Rebalancing, the practice of adjusting a Client's portfolio back to the original desired risk profile of its underlying portfolio strategies, typically occurs during the course of ATFS's research processes. For example, upon adjusting the allocation of an asset within a portfolio strategy, ATFS could take the opportunity to rebalance Client portfolios during that same window to reflect this adjustment. This means rebalancing occurs opportunistically instead of on a chronological cadence. To participate in the Program, Clients must agree to have their accounts rebalanced, generally no less than quarterly, at ATFS's discretion. While ATFS seeks to ensure that portfolio strategies are managed in a manner consistent with their indicated investment objectives and risk tolerance, securities transactions effected pursuant to a model investment strategy are usually done without regard to a Client's individual tax ramifications or market conditions. As a consequence of rebalancing, Clients may incur potentially adverse tax consequences. ATFS does not render tax advice to Clients, who should consult their own tax advisers for specific guidance.

Performance Based Fees and Side-By-Side Management

ATFS does not accept performance-based fees and does not engage in side-by-side management.

Risk of Loss

ATFS constructs portfolio strategies with a small number of equities and ETFs. Portfolio strategies are not fully diversified and will be subject to general movements in the stock

market and the value fluctuations of each particular issuer's stock.

ATFS does not guarantee the future performance of any Client's account or portfolio strategy. Clients must understand that the portfolio strategies that they choose to make investments in via the Program 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.

Subject to the Advisers Act, ATFS shall have no liability for any losses in a Client's account. The price of any security can decline for a variety of reasons outside of ATFS'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 ATFS's judgment or investment decisions about particular securities will necessarily produce the intended results. ATFS's judgment may prove to be incorrect, and 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 ATFS and Apex may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Program, by its automated nature, limits excessive trading risk, although human programming error may result in excessive trading. ATFS cannot guarantee any level of performance or that any Client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

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 entering the Program and investing in the portfolio strategies offered by ATFS. 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 and/or exchange-traded fund 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 Client account to underperform relative to the overall market.

Investment Risk

There is no guarantee that ATFS's judgment, recommendations, or investment decisions about particular portfolio strategies, securities, or asset classes will necessarily produce the intended results. ATFS's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives by investing in the portfolio strategies. ATFS may also make future changes to the investing algorithms and services that it provides. In addition, it is possible that Clients or ATFS itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to ATFS's software-based financial service.

Volatility and Correlation Risk

Clients should be aware that ATFS's asset selection process for the portfolio strategies is 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.**

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

The portfolios will typically 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.

Hedging Risk

Although hedging strategies in general are usually intended to limit or reduce investment risk, they may not achieve the anticipated effect. In fact, they may result in poorer overall performance for the portfolio than it could have achieved had it not engaged in such hedging transactions. Furthermore, the portfolio will always be exposed to risks that cannot be hedged.

ETF Risks, including Net Asset Valuations and Tracking Error

ETF performance may not exactly match the performance of the index or market benchmark

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

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

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.

Fundamental Investment Strategy Risks

ATFS's portfolio management and trading decisions are based on fundamental research conducted by its professionals. 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. ATFS 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 ATFS 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 ATFS. 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.

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 ATFS and

Apex 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. While ATFS values the securities held in Client accounts based on reasonably available exchange-traded security data, ATFS may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to ATFS.

Credit Risk

ATFS cannot control and 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. ATFS seeks to limit credit risk through ETFs, which are subject to regulatory limits and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk

Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser, 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 ATFS may be affected by the risk that currency devaluations affect ATFS's purchasing power.

Automated Investing

ATFS relies on static questionnaires consisting of a limited number of questions that form the sole basis for its investment recommendations. 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, ATFS does not 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.

Operational Risk

Operational risk is the exposure to the chance of loss arising from shortcomings or failures in internal processes or systems of ATFS, or Apex external events impacting those systems, and human error. A Client 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 other operational mistakes ("Operating Events") occasionally may occur in connection with ATFS's management of Client accounts. ATFS has policies and procedures that address identification and correction of Operating Events. An Operating Event generally is compensable by ATFS to a Client when it is a mistake (whether an action or inaction) in which ATFS has, in ATFS's reasonable view, deviated from the applicable investment guidelines or the applicable standard of care in managing a Client 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 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 account; and (iv) incorrect allocations of trades. Operating Events can also occur in connection with other activities that are undertaken by ATFS, such as fee calculations, and other matters that are non-advisory in nature.

ATFS 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 ATFS 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 accounts generally are corrected in accordance with the procedures established by ATFS and/or Apex

When ATFS determines that reimbursement by ATFS is appropriate, the Client will be compensated as determined in good faith by ATFS. ATFS 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 ATFS considers relevant. Compensation generally will not include any amounts or measures that ATFS determines are speculative or uncertain.

Cybersecurity Risks

ATFS 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 ATFS's Clients by interfering with the processing of transactions, affecting ATFS'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 ATFS 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 we have 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 we invest, which could result in material adverse consequences for such issuers and may cause a Client's investment in such securities to lose value.

Reliance on Management and Other Third Parties

ETF investments will rely on third-party management and advisers. ATFS 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 ATFS's investment strategies. Changing external economic conditions in the U.S. and global economics could have a significant impact on the success of the Platform 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 Platform to operate. Changing economic conditions, thus, could potentially adversely impact the valuation of Clients' investments in securities via the Platform.

Large Investment Risks

Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of that the investment.

Other Catastrophic Risks

In addition to the potential risks associated with COVID-19 as outlined above, Clients, ATFS, and their respective affiliates, 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) other public health crises, including any outbreak of COVID-19, 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 ATFS'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 ATFS 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 ATFS to fulfill its investment objectives on behalf of its Clients.

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 investments. 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.

Voting Client Securities

ATFS does not have, and will not accept, authority to vote any Client's securities. Clients will receive their proxies or other solicitations directly from Apex or a transfer agent, as applicable, and should direct any inquiries regarding such proxies or other solicitations directly to the sender.

Item 7: Client Information Provided to Portfolio Managers

ATFS acts as the sole portfolio manager under the Program and, as such, it does not share Client information with any other portfolio managers. ATFS has access to all Client information with respect to the particular Client accounts managed through the Platform. The Platform relies on information provided by the Client through the interactive questionnaire in order to provide investment advice.

ATFS gathers information regarding the Client's financial circumstances, investment goals, investment objectives, and risk tolerance. Other information collected by ATFS through the questionnaire may include, among other things, information about a Client's investment horizon, investment experience, and net worth. Clients are reminded to promptly update the information provided in their profiles, entered via the Platform, if such information changes.

Item 8: Client Contact with Portfolio Managers

Information regarding a Client's portfolio holdings and performance will be available to Clients through the Platform. Clients may communicate with ATFS through the Platform and via email to support@atfsadvisers.com. Clients may contact ATFS with respect to technical or operational questions regarding the Platform via email. ATFS provides investment advice only through the Platform. ATFS does not offer investment advice via email or telephone.

Item 9: Additional Information

Disciplinary Information

There are no criminal or civil actions to report. There are no administrative proceedings to report. There are no self-regulatory organization proceedings to report.

Other Financial Industry Activities and Affiliations

ATFS is affiliated with ATFS Markets LLC (“ATFS Markets”) through common ownership of Atlas. ATFS Markets has a pending application to register as a broker-dealer under the Securities Exchange Act of 1934 and FINRA.

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

ATFS’s ethical and legal duty is to act at all times as a fiduciary to its clients. This means that ATFS puts the interests of its clients ahead of its own and seeks to manage any perceived or actual conflict of interest that may arise in relation to our advisory services. ATFS has adopted a Code of Ethics (“COE”), which is designed to ensure that it meets its fiduciary obligation to clients, enhances its culture of compliance within the firm, and detects and prevents any violations of securities laws.

ATFS’s COE establishes standards of conduct for ATFS’s officers and employees (“Supervised Persons”) and is consistent with the Code of Ethics requirements of Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The COE includes general requirements that all Supervised Persons comply with their fiduciary obligations to clients and applicable securities laws, and also contains specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, and confidentiality of client information. ATFS’s COE will be provided to any client or prospective client upon request.

ATFS and its employees may purchase, sell, or otherwise enter into transactions for their own accounts in securities and other instruments. Prior to, or simultaneously with, or after such transactions, ATFS may, for its Clients, via the Platform, provide suggestions for purchasing stock involving any of these same securities or other instruments and any related securities or instruments (including securities issued by the same issuer, options on such securities or instruments, and instruments convertible into such securities or instruments). ATFS has adopted the Code of Ethics discussed above to address potential conflicts. Subject to certain restrictions, ATFS and each of their employees personally may at any time hold, acquire, increase, decrease, dispose of or otherwise deal with positions in investments in which a Client may have an interest from time to time. ATFS has no obligation to recommend or acquire for a Client account a position in any security which it acquires or recommends on behalf of another Client, or which an employee acquires for his or her own account.

Transactions effected for all Client accounts are not aggregated or combined with employee’s

personal orders. In all instances ATFS will act in the best interests of its Clients.

Review of Accounts

ATFS monitors Client portfolios and underlying strategies on an ongoing basis, not less than quarterly, utilizing an algorithm, to identify situations that may warrant a more detailed review or a specific action on behalf of a Client. Such reviews include, but are not necessarily limited to, inactivity, unusual funding behavior, and material changes in the economic or market environment. Additionally, ATFS will contact or remind Clients on at least an annual basis to ask if there have been any changes to their financial situation and investment objectives, and to update their information. ATFS, as applicable, conducts reviews when material changes may have occurred to a Client's portfolio or investment objectives. ATFS will retain the Client account review documentation electronically. ATFS may not monitor all Client accounts at all times.

ATFS considers implications and the volatility associated with each of its chosen asset/classes when deciding when and how to rebalance. To the extent possible, every deposit of funds by the Client into his or her investment account will be allocated in accordance with the Client's portfolio. Client accounts may be rebalanced upon the occurrence of any funding of the account or the change of an investment position. This generally means that rebalancing will occur no less frequently than once a quarter.

Apex prepares statements showing all transactions and account balances on a monthly basis. All information relating to Client accounts, including account performance and account balance, are provided on the Platform in real-time. ATFS urges Clients to compare Apex account statements with the information available on the Platform.

Client Referrals and Other Compensation

ATFS does not directly compensate or receive compensation from other entities.

Financial Information

ATFS does not solicit fees of more than \$1,200.00, per Client, six months or more in advance and therefore does not need to include a balance sheet with this Brochure. ATFS has no financial commitment that would impair its ability to meet any contractual and fiduciary commitments to the Client. ATFS has not been the subject of any bankruptcy proceedings.