

## Part 2A of Form ADV – Firm Brochure

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This brochure provides information about the qualifications and business practices of Ategenos Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 1-800-461-3205 and/or [info@ategenoscapital.com](mailto:info@ategenoscapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Ategenos Capital, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Being a "registered investment adviser" or describing ourselves as being "registered," does not imply a certain level of skill or training.

## Item 2 – Material Changes

Ategenos Capital is required to advise clients and prospective clients of any material changes to its Firm Brochure (“Brochure”) since its last annual update. This Item discusses only specific material changes that are made to this Brochure and provides clients with a summary of such changes. Ategenos has made the following material changes to this Brochure:

### Item 4 – Advisory Business

- Update to include Ategenos Wealth Platform.
- Removal of Global Managed Account Platform.
- Update to assets under management.

### Item 5 – Fees and Compensation

- Update to include Ategenos Wealth Platform.
- Removal of Global Managed Account Platform.

### Item 7 – Types of Clients

- Update to include Ategenos Wealth Platform.

### Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss

- Update to include Ategenos Wealth Platform.

### Item 10 – Other Financial Industry Activities and Affiliations

- Disclosure of related person relationships and associated material conflicts of interest.

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

- Update to disclosures regarding the Code of Ethics, participation or interest in client transactions, and personal trading.

### Item 13 – Review of Accounts

- Update to include Ategenos Wealth Platform.

### Item 15 – Custody

- Update to include Ategenos Wealth Platform and qualified custodians available.

### Item 16 – Investment Discretion

- Update to include Ategenos Wealth Platform and areas where Ategenos or delegates have investment discretion authority.

### Item 17 – Voting Client Securities

- Update to include Ategenos Wealth Platform and proxy voting process.

Ategenos may have also made minor corrections and/or clarifications throughout the Brochure and encourage Clients to read it carefully.

Ategenos will continue to use this section to identify material changes that may take place between annual updates. Clients will receive an annual summary of any material changes to this and subsequent Brochures no later than 120 days after our fiscal year-end. At that time, we will offer a copy of our most current Brochure. We will also promptly provide ongoing disclosure information about material changes as necessary.

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#### **Item 4 – Advisory Business**

Ategenos Capital, LLC, (“Ategenos” or “we”, “us” and “our”) is a registered investment adviser located in Berwyn, Pennsylvania. Ategenos was founded in 2022 and is organized as a Delaware Limited Liability Company (“LLC”).

Ategenos is majority owned and controlled by 366, LLC. 366, LLC, a Delaware Limited Liability Company, is an entity created and intended for employees of Ategenos to have ownership in Ategenos. A minority ownership interest is held by Envestnet Holdings, LLC, a wholly-owned subsidiary of Envestnet, Inc., a publicly held company founded in 1999 and whose stock is traded on the New York Stock Exchange under the ticker symbol ENV.

#### **Types of Advisory Business**

Ategenos offers registered investment advisory services and is not affiliated with any broker-dealer and does not provide investment banking or broker-dealer services.

Ategenos specializes in providing multi-asset class investment solutions through registered investment adviser and broker-dealer financial institution (“Advisory Firm”) platforms intended for Advisory Firm financial representatives and their clients (“Clients”).

Ategenos also offers certain Advisory Firms an investment advisory program (“Wealth Platform”). The Wealth Platform is offered to Advisory Firm financial representatives who are generally independent registered investment advisors. The Wealth Platform is a “wrap fee program” in which Ategenos provides a wealth management technology platform, portfolio management services, and choice of a qualified custodian (“Custodian”). More information about the wrap fee program can be found within the Form ADV Part 2A Appendix 1: Wrap Fee Program Brochure.

#### ***Ategenos Model Portfolios***

Through an Advisory Firm program other than the Wealth Platform, Advisory Firms receive Ategenos investment model portfolios and based on that model, the Advisory Firm, or its designated service provider (“Overlay Manager”) exercises investment discretion and executes each Client’s portfolio transactions predicated on the Advisory Firm’s or Overlay Manager’s own investment judgment in line with Client’s investment objectives. Advisory Firm programs are referred to as Model-Based Programs. Ategenos typically provides its model portfolios which may be comprised of various investment funds (mutual funds and exchange traded products), Separately Managed Accounts (SMA), and/or SMA model portfolios to the Advisory Firm or Overlay Manager, who subsequently, provides investment advice to Advisory Firm Clients, based on Client individual needs. Ategenos model portfolios generally are risk-based portfolios but also may include but are not limited to goals-based portfolios and asset class specific portfolios. When changes are made to a model portfolio by Ategenos, the Advisory Firm or Overlay Manager is responsible for implementing any modifications in Client accounts that are invested in the specific strategy. The Advisory Firm/Overlay Manager may or may not elect to execute all the purchase and/or sale transactions suggested by submissions of revisions in the model portfolio. Ategenos does not enter trades, receive trade reports, or have access to any detailed Client information related to these

accounts. It is the responsibility of the Advisory Firm or Overlay Manager to determine whether Ategenos Model Portfolios are suitable for Advisory Firm Clients. Portfolio performance dispersion is expected between the account performance in Model-Based Programs and Ategenos portfolios.

For information on when Ategenos Model Portfolios are utilized on the Wealth Platform, please see description below under Wealth Platform.

### ***Ategenos Private Wealth***

Through an Advisory Firm program or through the Wealth Platform, Ategenos may provide discretionary investment management services generally to institutional Clients or Clients with household assets of \$1 million and above. Ategenos works with Advisory Firm financial representatives and Clients to determine Client portfolio needs, investment objectives, financial position, and limitations to design an asset allocation and investment plan to meet Client goals. A typical Client relationship will have an Advisory Firm financial representative to assist the Client through the implementation process and work with Ategenos with on-going portfolio management of the Client's assets. Ategenos allows for tailoring of Client portfolios by working with a Client's existing portfolio to efficiently construct what Ategenos believes to be an appropriate portfolio (i.e., utilizing existing securities where appropriate), managing across multiple types of account registrations, allowing Clients to place restrictions on securities, types of securities and investment strategies, and managing a Client's portfolio while seeking to meet specific distribution needs and tax goals. Ategenos cannot accommodate some restrictions for Client investments in underlying pooled investment vehicles. To implement a tailored investment solution for Clients, Ategenos recommends the use of various investment funds (mutual funds and exchange traded products), SMAs and SMA model portfolios, and potentially alternative investments and structured investments, to provide exposure to capture potential returns from specified asset classes.

Ategenos may offer and recommend to Client, if certain suitability and eligibility requirements are met, alternative investment funds or pooled investment vehicles ("Private Funds"). Private Funds investment recommendations may include hedge funds, real-estate funds, private equity funds, private credit funds, hedge fund of funds, and managed futures funds. If Client is eligible and agrees to invest in Private Funds, Client will sign a separate agreement and required Private Fund documentation for which Client decides to invest. Client will pay a separate fee to Private Fund which is included in the Private Fund expense and indicated in appropriate Private Fund offering documentation. Client will be charged applicable advisory fees by Advisory Firm financial representative and Ategenos. Additionally, Ategenos may offer and recommend to Client, if certain suitability and eligibility requirements are met, structured investments. Structured investments are financial instruments that are generally derived from or based on a single security, basket of securities, an index, one or more interest rates, a commodity or basket of commodities, a debt issuance, a foreign currency or basket of currencies, and/or an actively or passively managed fund or collection of funds (each, a "Structured Investment"). Structured Investments may not be suitable for Client. Client should be prepared to hold the Structured Investment until maturity. If Client does not fully understand how Structured Investments work, as well as their associated risk, Client should not invest in these products. Client may be required to sign a separate agreement and required Structured Investment documentation for which Client decides to invest.

When changes are made by Ategenos to a Client portfolio that is not on the Wealth Platform, the Advisory Firm or Overlay Manager is responsible for implementing any modifications in Client accounts that are invested in the specific strategy. The Advisory Firm/Overlay Manager may or may not elect to execute all the purchase and/or sale transactions suggested by submissions of revisions in the portfolio. Ategenos will have Client contact, detailed Client information, will receive trade reports and access to Client reporting related to these accounts. It is the responsibility of the Advisory Firm or Overlay Manager to determine whether portfolios recommended by Ategenos are suitable for Clients. For details regarding changes made to Client portfolio(s) by Ategenos on the Wealth Platform, please see description below under Wealth Platform.

Ategenos may recommend tax management services (Tax Overlay Services”) for Client’s taxable accounts. Tax Overlay Services will be provided by the Overlay Manager, and not Ategenos. Tax Overlay Services will only be recommended by Ategenos if Advisory Firm has approved this service. The tax strategy developed is provided solely in connection with Client account(s) and Ategenos does not provide general tax planning services and Clients should consult a tax advisor.

If Clients do elect the Tax Overlay Services option, the following should be considered:

- Tax Overlay Services are limited in scope and are not designed to eliminate taxes in the account. Neither Ategenos nor Overlay Manager make any guarantee that tax liability in the account will be reduced or that any indicated limits will be met.
- If Client selects Tax Overlay Services for the account, information provided by Client may result in Overlay Manager making substantial deviations from the investment allocation on a more than temporary basis. The use of limits to restrict the amount of capital gains realized or Client’s total tax bill may severely restrict trading in the account and could result in substantial deviations from the investment allocation. Limits should only be imposed on the account after Client has consulted with a tax advisor. Capital gains specified will be used annually until Client specifies otherwise.

Ategenos may recommend to Client services that seek to reflect a Client’s own personal values by excluding investments linked to companies that derive revenues from specific business areas or companies that are involved in controversial business activities (e.g., negative environmental impacts, human rights violations, corruption (“Values Overlay Services”). Values Overlay Services will be provided by the Overlay Manager, and not Ategenos. Values Overlay Services will only be recommended by Ategenos if Advisory Firm has approved this service.

Certain cash management services (e.g., Dollar Cost Averaging) may be recommended by Ategenos for Clients that are seeking to invest or transition assets over certain time periods. Cash management services will be administered by the Overlay Manager and not Ategenos. Cash management services will only be offered if Advisory Firm has approved these services.

Additional services that Ategenos may include in discussions include, but are not limited to, securities backed lines of credit, trust services, and financial planning. These services will only be recommended by Ategenos if Advisory Firm has approved the offering to be eligible for their Clients. For these services as

well as Tax Overlay Services, Values Overlay Services, and cash management services, please refer to the Advisory Firm's Form ADV Part 2A for additional information.

### ***Outsourced Chief Investment Officer (OCIO) Services***

Ategenos provides investment services to asset managers and other registered investment advisers that may include:

- Advice on governance and fiduciary framework and structure;
- Assisting clients with developing and documenting investment objectives, risk tolerance, and cash flow needs relative to market opportunities;
- Establishing and advising on asset allocation and portfolio composition;
- Providing our macro-economic forecast, based on outlook for various major and sub-asset classes;
- Providing research and guidance on third party money managers;
- Recommending the client select certain investment strategies, retain, or terminate certain money managers, or reallocate assets among various managers or strategies;
- Performance evaluation;
- Creation of materials for staff analysis, as well as committee consideration and education.

The client is responsible for weighing the advice provided by Ategenos in these areas and making the final strategic decisions related to its plans, including governance structure, asset allocation, risk and liquidity needs, and investment policy statement. When serving as a consultant, Ategenos does not have investment discretion over client funds and does not make specific investments of client assets or make recommendations with respect to specific securities. Ategenos may also provide non-investment management due diligence reviews which cover a third-party investment adviser's business structure, operations, and technology. In certain contractual arrangements, Ategenos may serve as a sub-adviser to provide discretionary investment services for the asset manager or registered investment adviser.

### ***Ategenos Wealth Platform***

The Wealth Platform is a wrap fee program in which Ategenos provides the Wealth Platform's portfolio management services to Advisory Firm and Advisory Firm financial representatives. Ategenos utilizes a third-party provider ("Platform Provider"), an affiliate of Ategenos, which provides technology, overlay management services, and investment research services.

Services commonly found on the Wealth Platform include offering an Advisory Firm's financial representative or Client a website portal as well as technology applications to help determine suitability and investment strategy/portfolio for each Client, fee billing, trading, or quarterly performance reporting.

The Advisory Firm financial representatives typically carry out some or all of the responsibilities on behalf of the Advisory Firm. Ategenos delegates certain services to Advisory Firms and their financial representatives, which may include:

- assisting Clients in completing a profile and/or other applicable account opening forms;
- determining suitability of the Wealth Platform and/or investment strategy and selected Portfolio for each Client;

- meeting at least annually with each Client to review any changes in their financial situation; and
- acting as liaison between Ategenos and Clients.

For these services, Ategenos and Client's Advisory Firm, and if applicable, a third-party separately managed account ("SMA") manager with discretionary trading authority ("Sub-Manager"), third-party SMA or fund strategist model provider, which may include Ategenos (collectively "Model Provider"), will receive a portion of the total fee paid by Client. Please see the Fees and Compensation section below for more information.

Ategenos and Advisory Firm financial representative may offer and recommend to Client, if certain suitability and eligibility requirements are met, Private Funds and Structured Investments. Private Funds investment recommendations may include hedge funds, real-estate funds, private equity funds, private credit funds, hedge fund of funds, and managed futures funds. If Client is eligible and agrees to invest in Private Funds, Client will sign a separate agreement and required Private Fund documentation for which Client decides to invest. Client will pay a separate fee to Private Fund which is included in the Private Fund expense and indicated in appropriate Private Fund offering documentation. Client will be charged applicable advisory fees by Advisory Firm and Ategenos. Structured Investments are financial instruments that are generally derived from or based on a single security, basket of securities, an index, one or more interest rates, a commodity or basket of commodities, a debt issuance, a foreign currency or basket of currencies, and/or an actively or passively managed fund or collection of funds. Structured Investments may not be suitable for Client. Client should be prepared to hold the Structured Investment until maturity. If Client does not fully understand how Structured Investments work, as well as their associated risk, Client should not invest in these products. Structured Investments fees may differ by issuer and should be considered by investors when assessing their inclusion in their Account. Client will be charged applicable advisory fees by Advisory Firm and Ategenos. Client may sign a separate agreement and required Structured Investment documentation for which Client decides to invest. Client may sign a separate agreement and required Structured Investment documentation for which Client decides to invest.

The Wealth Platform provides Clients with Tax Overlay Services and Values Overlay Services through the Platform Provider. The end goal of Tax Overlay Services is to improve the after-tax return for the Client while staying as consistent as possible with the risk/return characteristics provided by the target portfolios. The Platform Provider may also offer an additional tax management service recommended by Advisor or Ategenos that supports tax transition and tax harvesting for only portfolios comprised of mutual funds and exchange traded funds ("Fund Strategist Tax Management Services"). The Platform Provider also provides Values Overlay Services, a service that seeks to reflect a Client's own personal values by excluding investments linked to companies that derive revenues from specific business areas or companies that are involved in controversial business activities (e.g., negative environmental impacts, human rights violations, corruption). Values Overlay Services is established to align a portfolio with the personal values of the Client, while staying as consistent as possible with the risk/return characteristics provided by the target portfolio.

The Wealth Platform may provide other services that are available through an affiliate of Ategenos or other third-party service providers. These services may include financial planning services, lending and credit services, and trust and estate planning services. If Client utilizes these services, a separate agreement with the service provider will be established with Client.



More information about the wrap fee program can be found within the Form ADV Part 2A Appendix 1: Wrap Fee Program Brochure.

#### Wealth Platform Advisory Programs:

##### *Unified Managed Account Program*

- The Unified Managed Account program (“UMA Program”) enables the Advisory Firm financial representative to construct a single portfolio by selecting the specific, underlying investment products and asset allocation.
- The UMA Program combines the investment expertise of SMA asset managers, fund strategist model providers, Exchange Traded Funds (“ETFs”) and mutual funds into a single portfolio and custodial account.
- Clients may utilize the UMA Program option “Strategist UMA” where Advisory Firm financial representative may choose a Model Portfolio in which the UMA account asset mix and underlying investment vehicles are determined by Ategenos or a Third-Party Model Provider. Ategenos has no responsibility for the specific investment selections unless Ategenos is the Model Provider.
- The Tax Overlay Services and Values Overlay Services are available to Client in the UMA Program.

##### *Fund Strategist Portfolios Program*

- The Fund Strategist Portfolios Program provides access and comprehensive program support of the mutual fund and/or exchange-traded fund asset allocation and wrap product model portfolios. The Fund Strategist Portfolios Program offers clients an actively managed portfolio comprised of carefully selected mutual funds and/or exchange-traded funds managed either by Ategenos or a third-party Model Provider. Ategenos has no responsibility for the specific investment selections unless Ategenos is the Model Provider.
- The Fund Strategist Tax Management Services is available to Client in the Fund Strategist Portfolios Program.

##### *Separately Managed Accounts Program*

- The Separately Managed Accounts (“SMA”) Program provides Clients with access to investment managers (Sub-Managers or Model Providers). With a separately managed account, Clients have direct ownership of the securities in the portfolio. This allows for greater flexibility, more control and tax advantages over other investment vehicles.

##### *Private Wealth Program*

- The Private Wealth Program provides access to a comprehensive program in which Ategenos has discretionary authority over the target asset mix and selection of the specific underlying investment products in the appropriate portfolio created to meet the Client’s needs.
- Investment products may include SMA Sub-Managers, SMA and fund strategist Model Providers, ETFs, and mutual funds. Ategenos may also utilize Private Funds and/or Structured Investments as part of the advice provided to Client.

- Ategenos creates customized portfolios and provides dedicated services to meet Client's needs. Ategenos may utilize Platform Provider services that include Tax Overlay Services and Values Overlay Services based on Client needs and suitability.
- Ategenos may also provide recommendations to utilize other third-party provider services such as cash and credit services as well as estate planning and trust management services.

#### *Advisor-as-Portfolio Manager Program*

- The Advisor-as-Portfolio Manager Program offers access to portfolios comprised of products chosen directly by the Advisory Firm financial representative. These model portfolios are constructed and rebalanced directly by the Advisory Firm financial representative and not by Ategenos.
- Ategenos is providing only administrative services to Advisory Firm financial representative. Ategenos will not have discretion over Program Assets managed pursuant to an Advisor-as-Portfolio Manager Model and is not providing investment advisory services to Client.

Before opening an account under the Wealth Platform, Client's Advisory Firm financial representative will assist Client in completing a client profile ("Profile"). This Profile helps Client and Client's financial representative determine such things as Client's risk tolerance, investment objectives, time horizon, financial goals, and personal and financial situation. Client's financial representative will review Client's Profile responses and assist Client in selecting or creating a portfolio ("Portfolio") that is most appropriate for and aligned with Client's Profile as well as identifying any available features or options Client would like to utilize and any reasonable restrictions and/or available customizations Client may wish to place on the management of Client's Portfolio and/or account assets.

If features, options, reasonable restrictions and/or customizations are available to an account and/or Portfolio, Client's Advisory Firm financial representative will assist Client in completing necessary information based on Client preferences. This information varies by account and/or Portfolio and may include indicating exclusions, subject to limitations, for items such as specific securities, themes, or other requestable portfolio customizations.

As a reminder, Client may impose reasonable restrictions on the investments made in their account as well as retain the right to withdraw securities or cash from the account, the right to vote or delegate the authority to vote proxies, and the right to be provided with trade confirmations for all securities transactions made within their account. If Ategenos, or any investment Sub-Manager, deem Client's requested restriction inconsistent with the purpose of the Wealth Platform and/or the investment objective of the selected Portfolio, Ategenos will inform Client's Advisory Firm financial representative. Upon notification, Client can modify the restriction request or discontinue the account opening process. Although Ategenos seeks to provide individualized investment advice to discretionary client accounts, Ategenos will not accommodate investment restrictions that are unduly burdensome or materially incompatible with the stated investment approach and reserves the right to decline to accept, or terminate, client accounts with such restrictions.

If applicable, the Advisory Firm financial representative will also assist Client with the choice of a Custodian for their account. In the Wealth Platform, the selection of Custodian is limited to those Custodians that

have been chosen as options for the Wealth Platform, and those options may be further limited by Advisory Firm.

The Wealth Platform allows Advisory Firm financial representatives to make certain decisions about specific account features such as rebalancing, reallocating, tax loss harvesting, and tax transition management. Some of these permissions are granted to Advisory Firm financial representative through their Investment Management Agreement (described below) while others require Client to authorize the decision-making authority through other means. Client should work with their Advisory Firm financial representative to ensure that they are aware of what decisions can be made and by whom in regard to their account and/or Portfolio(s).

Once an appropriate strategy, Portfolio, and Custodian have been selected, Client and Advisory Firm financial representative must review the disclosure documents and complete applicable account documents. Account documents will include the Statement of Investment Selection and Investment Management Agreement (described below) and a brokerage account application for the selected Custodian. The Custodian is unaffiliated with Ategenos and may charge additional fees for transactions made in Client accounts as a result of investment decisions made by Advisory Firm financial representative, Ategenos, Sub-Managers, and Model Providers for Client accounts and/or other account administrative fees that are in addition to the Wealth Platform fees described in greater detail below. Please refer to the Brokerage Practices section below for important information regarding custodial fees. Client can request fee details from Custodian.

Client and Advisory Firm financial representative may choose to have a Client account that is not an investment advisory account but want to maintain for reporting services ("Reporting Only Services Account"). A Reporting Only Services Account is made available on the Ategenos Wealth Platform for certain fees which are listed in Item 5 Fees and Compensation below.

The Statement of Investment Selection and Investment Management Agreement (collectively, "Client Agreement") is an agreement between Client, Advisory Firm and Ategenos and is presented to Client during the account opening process and through other processes (e.g., strategy change), as applicable. The Client Agreement can be terminated at any time without the imposition of any penalty upon written notice by Client, Client's Advisory Firm, or Ategenos to the other(s) and termination will become effective upon receipt of such notice unless otherwise noted. Any termination by Ategenos, Client's Advisory Firm, or Client will not, however, affect the liabilities or obligations of the parties incurred or arising from transactions initiated under the Client Agreement before such termination. Upon receipt of Client notice of termination, Ategenos will have no obligation to continue to provide the agreed upon services to Client account.

Pursuant to the discretionary authority granted within the Client Agreement, Ategenos or Sub-Managers invest, rebalance, and/or reallocate Client account assets to be consistent with the selected Portfolio(s) and specifications, if any. These activities will occur as frequently as Ategenos or Sub-Managers deem necessary. Please note, in certain situations, Ategenos or Sub-Managers' decision to rebalance and/or reallocate an account may result in Client incurring a redemption fee imposed by one or more of the mutual funds underlying the Wealth Platform's Portfolios or other fees/commissions charged to Client associated with an underlying Portfolio holding, the broker/dealer executing the trade, or the Custodian. For multi-strategy accounts (those accounts allocated to more than one Portfolio), Ategenos or Sub-

Managers will rebalance and reallocate each Portfolio in a multi-strategy account as Ategenos or Sub-Managers deem necessary. In addition, account-level rebalancing shall be at the discretion of Ategenos and based upon the Ategenos rebalancing policy.

Envestnet Asset Management, Inc.:

Ategenos has contracted with Envestnet Asset Management, Inc. (“Envestnet”), an SEC registered investment adviser and affiliate of Ategenos, to provide a technology structure for Ategenos and its clients through the Wealth Platform to efficiently connect with Sub-Managers and Model Providers to act in some Programs as co-adviser to clients. In these Programs, Envestnet provides ongoing investment management services on a discretionary basis administering the Sub-Manager or Model Provider model portfolios and taking directions from the Model Provider to adjust asset allocations, add, remove, or replace securities in the account, and rebalance the account as it deems necessary. Envestnet, as described in Item 8, also provides advice related to the underlying investment research on Sub-Managers, Model Providers, mutual funds, and ETFs that may be available within certain of these Programs. However, Envestnet is not responsible for the specific investment choices made with respect to the portfolios developed and maintained by the Sub-Manager or Model Provider.

### **Assets Under Management**

As of December 31, 2023, Ategenos has \$130,698,858 in discretionary assets under management.

### **Item 5 – Fees and Compensation**

Ategenos is compensated by receiving a mutually agreed upon percentage of assets under management or by receiving a minimum fixed fee. For Ategenos Model Portfolios and Private Wealth solutions, the expected range of asset-based fees is between 10 basis points (0.10%) and 40 basis points (0.40%) per annum as fee arrangements vary by investment strategy, account type and size, customization requirements and the range of additional services provided to Advisory Firm and their Clients. All fees are negotiated in advance and are specified in the written agreement between Ategenos and Advisory Firm and/or Overlay Manager. Ategenos does not deduct fees from Client accounts as that is the responsibility of the Advisory Firm or Overlay Manager. Ategenos adopts the billing method (e.g., in-advance or in-arrears) for which each Advisory Firm bills Clients and is paid by the Advisory Firm in that manner generally on a quarterly basis. The agreement the Client signs with Advisory Firm typically contains total investment advisory fee, termination provisions, and refund provisions, where applicable.

#### *Wealth Platform*

Each Client account in the Wealth Platform is charged an annual fee (“Client Fee”) that covers services provided to Client account. It includes a fee imposed by Ategenos (“Program Fee”) and fee(s) imposed by Client’s Advisory Firm and their financial representative (“Advisor Fee”). A portion of the Client Fee is debited from Client’s account quarterly in advance based on the prior period’s ending balance.

Please note that in certain situations, the Client Fee will be based on a Client's account asset value as well as the value of any related accounts Client has in the Wealth Platform. Such aggregation of accounts is designed to result in a lower Client Fee compared to a Client Fee calculated on each account separately.

For a detailed explanation of the Client Fee applicable to account, Client should review their Client Agreement. Ategenos encourages Clients to review the Client Fee, as well as other information contained in the Client Agreement and other account opening documents, carefully.

Please see the Other Costs in Connection with Our Advisory Services section below for additional fees you will incur in connection with an account on the Wealth Platform.

#### Wealth Platform Fee

The following is the Wealth Platform Fee ("Program Fee") Schedule:

First \$500,000:	0.20%
Next \$500,000:	0.17%
Next \$1,000,000:	0.15%
Over \$2,000,000:	0.12%

The Program Fee Schedule is a "tiered fee," meaning that the portion of the Client assets within each asset tier is charged the fee indicated for such asset tier.

Minimum annual per account Program Fee is \$100.

Sub-Manager fees and Model Provider Fees, which may include Ategenos fees for investment services provided, are not included within the Program Fee and are charged in addition to the Program Fee.

The Platform Provider will charge fees for Tax Overlay Services, Fund Strategist Tax Management Services, and Values Overlay Services which are additional fees to Client and will be included and added to the Program Fee.

If Client's Account includes Private Funds and/or Structured Investments, Client Fee for the Account will include the Advisor Fee and Program Fee. In addition to these fees, Client pays fees and expenses of the Private Funds in which Client Account is invested. Such fees and expenses are charged directly to the pool of assets in which the Private Funds invest. These fees and expenses are an additional cost to Client and are not included in the fees charged in Client account statements. Each Private Fund and Structured Investment describes their fees and expenses in their respective offering materials. Private Fund and Structured Investment providers do not compensate Ategenos for Clients that invest in their Private Fund or Structured Investment.

In certain situations, Ategenos and the Advisory Firm may negotiate the Program Fee and/or breakpoints applicable to a Client's account.

#### Other Costs in Connection with Our Advisory Services:

Clients may incur brokerage and other transaction costs, in addition to the fee paid to Ategenos. These fees are assessed by custodians, brokers, and other third parties, and may include deferred sales charges, odd-lot differentials, trade-away fees, redemption fees, ADR fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions as directed by the custodian.

Mutual funds and exchange traded products also charge internal management and operating fees, which are disclosed in the respective investment fund's prospectus.

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

Ategenos does not charge any performance-based management fees.

#### Item 7 – Types of Clients

Ategenos offers investment management services to individual and institutional clients, including those managed through wrap programs, corporate pension and profit-sharing plans, Taft-Hartley plans, insurance companies, charitable institutions, foundations, endowments, municipalities, registered mutual funds, exchange-traded funds, collective investment funds, trust companies, asset managers, registered investment advisers, and other institutions. Ategenos generally requires the account minimums listed below; however, account minimums are subject to negotiation and Advisory Firm requirements.

<b>Client Type</b>	<b>Minimum Account Size</b>
Model Program Clients	\$10,000
Private Wealth Clients	\$1,000,000 (Household)

For the Ategenos Wealth Platform Programs:

<b>Program</b>	<b>Minimum Account Size</b>
Unified Managed Account Program Clients	\$100,000
Fund Strategist Portfolios Program Clients	\$10,000
Separately Managed Accounts Program Clients	Varies by Sub-Manager
Private Wealth Program Clients	\$1,000,000 (Household)
Advisor-as-Portfolio Manager Program Clients	\$10,000

Outsourced Chief Investment Officer clients will have specific agreed upon minimums based on the agreements with each entity using these services.

## Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

### Investment Philosophy

Ategenos's investment philosophy is driven by key investment beliefs that are supported throughout our organization. These beliefs are intended to drive our thinking and decision-making and are intended to help our Clients reach their long-term financial goals.

- A strategic, or long-term, asset allocation framework complemented by an active, or shorter-term, asset allocation overlay delivers more consistent returns for Clients over time.
- Building globally diversified portfolios that include thematic exposures maximizes our investment opportunity set.
- Portfolio management involves an optimal use of both actively and passively managed strategies.
- A comprehensive and reliable communication plan leads to better outcomes for our Clients.

### Investment Process

Ategenos's investment process is based on four key components: portfolio construction, asset allocation, strategy selection, and communication. Through our investment process, we seek to construct robust, diversified portfolios that are designed to perform well across various market environments and offer a consistent risk profile for our Clients. Depending on the type and extent of relationship, our Clients may be exposed to a portion of, or the entire Ategenos investment process.

#### *Portfolio Construction*

Our portfolio construction process starts with the establishment of a strategic asset allocation foundation. The strategic asset allocation is intended to be long-term in nature. The strategic asset allocation for each portfolio managed by Ategenos will be comprised of neutral weightings to each of our major asset classes, which include U.S. equity, international equity, fixed income, and alternatives. The risk level of each portfolio is defined by its exposure to equity-like volatility. Equity-like volatility can be driven by exposures within all major asset classes, depending on the specific investment strategy.

Within our major asset classes, portfolios can be allocated to various sub-asset classes and strategies, which can include, but are not limited to the following:

Major Asset Class	Representative Sub-Asset Classes
U.S. Equity	large cap, mid cap, small cap, all cap, growth, value, dividend
International Equity	international developed, emerging markets, region-specific, country-specific
Fixed Income	multi-sector fixed income, corporate credit, securitized product, U.S. treasuries, high yield, bank loans, emerging market debt
Alternatives	absolute return, long/short equity, long/short credit, relative value fixed income, real estate, natural resources, commodities, infrastructure, multi-strategy

In addition to setting the strategic asset class weightings for each portfolio, our portfolio construction process includes setting the active overlay framework. We define the allowable range for each asset class for a given portfolio. The asset class ranges will be flexible enough for us to implement the active overlay, which involves short-term asset class and sub-asset views, but disciplined enough to ensure we maintain consistency with the portfolio's stated risk level. We maintain flexibility for strategy selection to fill the target asset class allocations.

Both the strategic asset allocation targets and the asset class ranges are periodically monitored and reviewed by the Ategenos investment team to ensure they remain appropriate and capture any major shifts in market structure and the investment opportunity set.

#### *Asset Allocation*

Our asset allocation approach is dynamic, which we define as a strategic asset allocation that is complemented by an active overlay. The Ategenos Investment Committee, a group led by senior investment professionals and portfolio managers, meets monthly to review, and assess the global economy and capital markets. The Ategenos Investment Committee seeks to identify cyclical and secular trends that can be expressed in portfolios through our dynamic asset allocation.

The Ategenos Investment Committee reviews several factors to determine our overall capital markets views. The strength of each of the factors is measured, ranging from most bullish to most bearish. Factors include:

- Short-Term Factors: Short-term factors are factors that we expect to play out over the next six months. Examples of short-term factors can include, but are not limited to, market trend, market momentum, investor sentiment and seasonality.
- Intermediate-Term Factors: Intermediate-term factors are those we expect to impact markets and the economy over the next six months to two years. Examples of intermediate-term factors can include, but are not limited to, fiscal policy, monetary policy, inflation, interest rate environment, credit environment, consumer, housing market, earnings, corporate sentiment.
- Global Equity Market Valuations
- Geopolitical Implications
- Business Cycle

Our capital markets views are formed by considering all available information and analysis relative to these factors and applying a weight of the evidence approach. The Ategenos portfolio management team will take the capital markets views and translate them into dynamic asset allocation targets for each major asset class, sub-asset class, and underlying investment strategy. With these dynamic asset allocation targets we seek to take advantage of opportunities and manage the risk level in each portfolio. While the Ategenos Investment Committee meets monthly to review our capital markets outlook, asset allocation changes are typically made in portfolios between four and eight times per year, depending on market conditions.

#### *Strategy Selection*

Our strategy selection approach begins with defining the available investment universe, which will depend on the type of portfolio or client relationship, targeted asset class, strategy characteristics, and other factors. Once the available investment universe is reviewed, we will determine whether to use an actively-managed or passively-managed strategy. This decision will depend on a number of factors, including the efficiency of the asset class being considered, the availability and attractiveness of the actively-managed strategies available in the asset class, and the expected time horizon for the investment theme.

Should we decide to utilize an actively-managed strategy within our portfolio, we will perform initial due diligence activities on candidates which will include both qualitative and quantitative reviews. Once an actively-managed strategy is selected for inclusion in our portfolios, we will continue to monitor the strategy on an ongoing basis, which will include periodic qualitative and quantitative analyses.



A strategy can be removed from a portfolio for various reasons that include, but are not limited to, performance that differs from expectations, portfolio management team changes, organizational changes, or assets that extend beyond stated capacity.

#### *Communication*

Ategenos offers an integrated investment communication approach that is comprised of timely and reliable communications that we believe facilitates meaningful discussions between Advisory Firm financial representatives and their Clients, leading to better investment decision-making, and as a result, better investment outcomes.

#### **Wealth Platform**

Ategenos selects the investment options (“Investment Options”) to be available in the Wealth Platform programs (“Program” or “Programs”). Ategenos has retained a third-party provider, Envestnet PMC, an SEC registered investment adviser and affiliate of Ategenos, to conduct due diligence on Investment Options within Programs. For the UMA, SMA, Fund Strategist Portfolios and Private Wealth Programs, Ategenos generally selects the Investment Options from the universe of Investment Options that Envestnet PMC has granted an “Approved” research status. Having an Approved research status means that the mutual fund, ETF, fund strategist Model Provider portfolio, SMA Sub-Manager Model, or SMA Sub-Manager strategy has met Envestnet PMC’s proprietary review criteria. For a more detailed review of Envestnet’s due diligence procedures, please refer to the Envestnet PMC Brochure.

Ategenos may select other Investment Options, including alternative investments and structured investments, based on its own due diligence or other third-party research providers. Ategenos considers a variety of factors including management, longevity, performance, compliance, and operations. Notwithstanding Ategenos and Envestnet PMC’s review processes, Clients should be aware that investing in the Investment Options is subject to market risk and possible loss of principal.

Ategenos will provide the ability in situations where Advisory Firm or Advisory Firm financial representative may need to accommodate Client who wants to maintain an investment product of their choice that is not included in the due diligence process that Envestnet PMC or Ategenos employs for Investment Products in the programs offered by Ategenos. The decision to maintain these investment products is solely the Client’s and Advisory Firm’s responsibility. In addition, Client and Advisory Firm will be responsible for the initial and ongoing evaluation and monitoring of these investment products.

The purpose of each screening process is to identify Investment Options that satisfy certain minimum investment criteria. Neither Envestnet PMC’s nor the Ategenos’s Investment Option selection criteria and screening process applies to mutual funds or ETFs included in third-party SMA Sub-Manager strategies or fund strategist Model Provider portfolios. Ategenos will rely on Envestnet PMC to monitor the Sub-Managers and Model Providers and, at any time based on Envestnet PMC’s recommendation and at its discretion, remove and replace a strategy as an Investment Option and from existing Accounts based on due diligence or other factors such as regulatory considerations. Ategenos, based on Envestnet PMC’s recommendation will select any replacement strategy. Ategenos may select a strategy managed by Ategenos as a replacement strategy. This represents a conflict of interest and incentive for Ategenos

because Ategenos will retain an increased portion of the Client Fee if an Ategenos strategy is selected for Client's Account. Envestnet PMC creates an information sheet on each Sub-Manager and Model Provider, which includes information on the strategies that each Sub-Manager and Model Provider creates and/or manages for the Programs. Manager Profiles are available from the Advisory Firm financial representative.

#### *Mutual Funds and ETFs*

Ategenos selects the mutual funds and ETFs available as Investment Options, as applicable, for the Wealth Platform. Ategenos will utilize the "Available" list from Envestnet PMC in determining which mutual funds and ETFs should be Investment Options within the Wealth Platform programs with the exception of Advisor-as-Portfolio Manager program. Ategenos will monitor the mutual funds and ETFs and, at any time at its discretion, may direct Platform Provider to remove and replace a mutual fund or ETF as an Investment Option and from Client Accounts. Ategenos may rely on the recommendation of Envestnet PMC to select the replacement mutual fund or ETF. For information regarding the mutual funds and ETFs, including any associated fees, please read the prospectus of each particular mutual fund and ETF.

#### **Risk of Loss**

While we seek to manage accounts so that risks are appropriate to the strategy, it is not possible or desirable to fully mitigate all risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. The risks involved for different portfolios will vary based on each portfolio's investment strategy, the types of securities or other investments held in the portfolio, as well as macro and microeconomic conditions. In light of the uncertainty, volatility, and distress in financial, social, political and health conditions around the world, the risks below are heightened significantly compared to normal conditions and therefore subject an account's investments to sudden and substantial losses. The fact that a particular risk below is not specifically identified as being heightened under current conditions does not mean that the risk is not greater than under normal conditions. The following are descriptions of various primary risks related to our investment strategies. Not all possible risks can be described. The risks related to operations and investment strategy will also generally apply with respect to the unaffiliated money managers selected by us to invest client portfolio assets. All clients should carefully read all investment fund prospectuses and other offering and governing documents for further information on the various risks prior to retaining us to manage an account or investing in any product. Each client should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses.

**Active Management Risk:** With respect to our investment process that employs active management strategies to meet an investment objective, clients should not expect returns to track the returns of any index over any period as the variability of returns is inherent to active management.

**Asset Allocation Strategy Risk:** Asset allocation strategies do not assure profit or diversification and do not protect against loss. There is a risk that the asset allocation may be incorrect in view of actual market conditions. In addition, an asset allocation strategy determination could result in underperformance as compared to other strategies with similar investment objectives and asset allocation strategies.

**Asset Class Risk:** Securities in a portfolio can underperform in comparison to the general securities markets, a particular securities market, or other asset classes.

**Borrowing Risk:** Borrowing may exaggerate changes in the net assets and returns of a portfolio. Borrowing will result in the portfolio incurring interest expense and other fees, potentially reducing a portfolio's return. This can, at times, result in a need for the portfolio to liquidate positions when it may not be advantageous to do so to satisfy its borrowing obligations. Borrowing arrangements can be used to meet short-term investment and liquidity needs or to employ forms of leverage that entail risks, including the potential for higher volatility and greater declines of a portfolio's value, and fluctuations of dividend and other distribution payments.

**Climate Change:** In recent years certain participants in the asset management industry have been challenged by climate-related weather events that disrupt business continuity and the ability to provide critical services to clients. Our personnel have been prepared for and trained on business continuity, and we have provided critical staff with the ability to work in a mobile environment during periods of widespread business disruption. However, there are limits in our ability to prepare for all such events, and there is no assurance that our preparation and training will match climate-related events experienced.

**Commodity Risk:** Commodities have risk in that they are affected by global supply and demand, domestic and foreign interest rates, political, economic, financial events, or natural disasters, regulatory and exchange position limit, and concentration within a commodity.

**Company Risk:** Company risk is the risk that the value of securities issued by a company fluctuates in response to the performance of the individual company.

**Concentration Risk:** Concentrating investments in an issuer or issuers, in a particular country, group of countries, region, market, industry, sector or asset class means that performance will be more susceptible to loss due to adverse occurrences affecting those investments than a more diversified mix of investments.

**Counterparty Risk:** Counterparty risk is the risk that the other party(ies) in an agreement or a participant to a transaction, such as a broker or swap counterparty, might default on a contract or fail to perform (e.g., by failing to pay amounts due or failing to fulfil the delivery conditions of the contract or transaction and the related risk of having concentrated exposure to a counterparty). Counterparty risk is inherent in many transactions and all contracts and agreements, including, but not limited to, transactions involving derivatives, repurchase agreements, securities lending, short sales, credit and liquidity enhancements and equity or commodity-linked notes.

**Country Risk:** A portfolio's return may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Non-U.S. markets, economies and political systems may be less stable than U.S. markets, and changes in exchange rates of foreign currencies can affect the value of a portfolio's foreign assets. Less information may be available about foreign companies than about domestic companies, and foreign companies are generally not subject to the same uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to domestic companies. Additionally, non-U.S. securities markets may experience delays and disruptions in securities settlement procedures for a portfolio's securities. Investments in foreign countries could be affected by potential difficulties in enforcing contractual obligations and could be subject to extended settlement periods or restrictions.

**Credit Risk:** Credit risk refers to the possibility that the issuer of a debt security (i.e., the borrower) will not be able to make principal and interest payments when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of the investment in that issuer. The degree of credit risk depends on the issuer's financial condition and on the terms of the securities.

**Currency Risk:** Exchange rates for currencies fluctuate daily and accordingly may experience volatility with respect to the value of exposure to foreign currencies through direct holdings of such currencies or holdings in non-U.S. dollar denominated securities.

**Depository Receipts Risk:** Depository receipts (including American Depositary Receipts and Global Depositary Receipts) are securities traded on a local stock exchange that represent securities issued by a foreign publicly listed company. Depository receipts are generally subject to the same risks of investing in the foreign securities they evidence on and into which they may be converted.

**Derivatives Risk:** Derivatives, such as forwards, futures, options, and swaps, involve risks different from, or possibly greater than, risks associated with investing directly in securities and other traditional investments. Specific risk issues related to the use of such derivatives include valuation and tax issues, increased potential for losses and/or costs, and a potential reduction in gains. Derivatives may also involve other risks such as market, interest rate, credit, counterparty, currency, liquidity, and leverage risks.

**Developing or Emerging Markets Risk:** The risks associated with investing in securities are heightened for investments in developing or emerging markets. In general, emerging markets investments may be subject to less stringent protection standards as compared with investments in U.S. or other developed market equity securities. Investments in developing or emerging markets involve exposure to economic structures that are generally less diverse and mature, and to political systems which can be expected to have less stability than those of more developed countries. As a result, emerging market governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, or unfavorable diplomatic developments. In general, this can be expected to result in less stringent client protection standards as compared with investments in U.S. or other developed market equity securities. Emerging market countries typically have less established legal, accounting, and financial reporting systems than those in more developed markets, which may reduce the scope or quality of financial information available. A change in the value of a foreign currency against the U.S. dollar will result in a corresponding change in the U.S. dollar value of the fund's foreign securities. Many emerging market countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

**Equity Securities Risk:** The value of equity securities fluctuates in response to general market and economic conditions (market risk) and in response to the performance of individual companies (company risk). Therefore, the value of an investment in the portfolios that hold equity securities may decrease. The market can decline for many reasons, including adverse political or economic developments in the U.S. or abroad, changes in investor psychology, or heavy institutional selling. Also, certain unanticipated events, such as natural disasters, pandemics, epidemics, terrorist attacks, war, and other geopolitical events, can have a dramatic adverse effect on stock markets. Changes in the financial condition of a company or other

issuer, changes in specific market, economic, political, and regulatory conditions that affect a particular type of investment or issuer, and changes in general market, economic, political, and regulatory conditions can adversely affect the price of equity securities. These developments and changes can affect a single issuer, issuers within a broad market sector, industry or geographic region, or the market in general.

**Exchange Traded Funds (“ETF”) Risk:** ETFs are investment companies whose shares are bought and sold on a securities exchange. ETFs invest in a portfolio of securities designed to track a particular market segment or index, which may be broad-based or customized by an index-provider. ETFs, like mutual funds, have expenses associated with their operation, including advisory fees. When a portfolio invests in an ETF, in addition to directly bearing expenses associated with its own operations, it will bear a pro-rata portion of the ETF’s expenses. The risks of owning shares of an ETF generally reflect the risks of owning the underlying securities the ETF is designed to track, although lack of liquidity and other factors in an ETF could result in its value being more volatile than the underlying portfolio of securities and may result in performance dispersion relative to the index. In addition, because of ETF expenses, compared to owning the underlying securities directly, it may be more costly to own an ETF.

**Exchange Traded Notes (“ETN”) Risk:** ETNs are unsecured, unsubordinated debt securities that have characteristics and risks similar to those of fixed-income securities. ETNs trade on major securities exchanges, similar to shares of ETFs. ETNs differ from other types of bonds and notes because ETN returns are based upon the performance of a market index less applicable fees, no period coupon payments are distributed, and no principal protections exist. In general, ETNs are considered to be a type of security that combines characteristics of both bonds and ETFs. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying commodities or securities markets upon which the return of the ETN is based (in whole or in part), changes in the applicable interest rates, changes in the issuer’s credit rating, and economic, legal, political, or geographic events that affect the referenced commodity or security. ETNs also are subject to counterparty credit risk and fixed-income risk.

**Fixed Income Market Risk:** The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to perceptions about the creditworthiness of individual issuers, including governments and their agencies. Generally, fixed income securities will decrease in value if interest rates rise and vice versa. In a low interest rate environment, risks associated with rising rates are heightened. Declines in dealer market-making capacity as a result of structural or regulatory changes could decrease liquidity and/or increase volatility in the fixed income markets. In the case of foreign securities, price fluctuations will reflect international economic and political events, as well as changes in currency valuations relative to the U.S. dollar.

**High Yield Securities Risk:** High yield securities (including but not limited to bonds, ETFs, ETNs, and open- and closed-end funds) tend to be more sensitive to economic conditions than higher-rated securities and generally involve more credit risk. The risk of loss due to default by an issuer of a high yield security is significantly greater than issuers of higher-rated securities because such securities are generally unsecured and are often subordinated to other creditors. An account may have difficulty disposing of certain high yield securities because there may be a thin trading market for such securities. As a result, an

account may have to accept a lower price to sell a high yield security, which could have a negative effect on performance.

**Index-Based Investing Risk:** Index-based strategies, which may be used to seek to gain a portfolio's desired exposures, may cause the portfolio's returns to be lower than if a fundamental approach to security selection was employed. Additionally, index-based strategies are subject to tracking error risk, which is the risk that the performance of the portion of the portfolio utilizing an index-based strategy will differ from the performance of the index it seeks to track.

**Inflation Risk:** Inflation risk is the risk that the present value of a security will be less in the future if inflation decreases the value of money.

**Infrastructure Company Risk:** Investments in infrastructure-related companies have greater exposure to the potential adverse economic, regulatory, political, environmental, and other changes affecting such entities. Infrastructure-related companies are subject to a variety of factors that may adversely affect their business or operations including high interest costs in connection with capital construction programs, costs associated with compliance with and changes in environmental and other regulations, difficulty in raising capital in adequate amounts on reasonable terms in periods of high inflation and unsettled capital markets, the effects of surplus capacity, increased competition from other providers of services in a developing deregulatory environment, uncertainties concerning the availability of fuel at reasonable prices, the effects of energy conservation policies, the effects of environmental damage, and other factors. Additionally, infrastructure-related entities may be subject to regulation by various governmental authorities and may also be affected by governmental regulation of rates charged to customers, government budgetary constraints, service interruption due to environmental, operational, or other mishaps and the imposition of special tariffs and changes in tax laws, regulatory policies, and accounting standards.

**Interest Rate Risk:** Interest rate risk is the risk that debt instruments will change in value because of changes in interest rates. The value of an instrument with a longer duration (whether positive or negative) will be more sensitive to changes in interest rates than a similar instrument with a shorter duration. The portfolio may face a heightened level of interest rate risk during periods when the Federal Reserve raises interest rates.

**Investment Style Risk:** Different investment styles tend to shift in and out of favor depending on market conditions and investor sentiment. An investment manager's approach to investing could cause it to underperform other investment managers that employ a different investment style.

**Liquidity Risk:** The financial markets have experienced, and will likely again experience in the future, a variety of difficulties and changed economic conditions. Reduced liquidity in equity, credit and fixed-income markets may adversely affect the value of accounts. In addition, these conditions could lead to reduced demand for the securities which are held in accounts, which may in turn decrease the value of assets.

**Market Risk:** Global economies and financial markets are becoming increasingly interconnected and political and economic conditions (including recent volatility and instability due to international trade disputes) and events (including natural disasters, pandemics and epidemics, terrorist acts, social unrest,

and government shutdowns) in one country, region or financial market may adversely impact issuers in a different country, region, or financial market. The securities and other financial instruments in portfolios may decline in value. This decline in value may cause a portfolio to not provide return of principal and/or liquidity. Despite strategies to achieve positive investment returns regardless of market conditions, the value of investments will change with market conditions and so will the value of any investments in the portfolio.

**Master Limited Partnership (“MLP”) Risk:** An investment in MLP units involves some risks that differ from an investment in the common stock of a corporation. Holders of MLP units have limited control on matters affecting the partnership. Investing in MLPs involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles. MLPs that concentrate in a particular industry, or a particular geographic region are subject to risks associated with such industry or region. The benefit derived from a portfolio’s investment in MLPs is largely dependent on the MLPs being treated as partnerships for Federal income tax purposes. Any return of capital distributions received from an MLP equity security may require a portfolio to restate the character of distributions made by the portfolio as well as amend any previously issued shareholder tax reporting information.

**Model Risk:** We, as an investment manager, may use quantitative models for a wide range of applications, including but not limited to risk management, valuation, stress testing and financial/regulatory reporting. Models are generally used to generate estimates, which as estimates are not accurate actual numbers. Model usage exposes a financial institution to model risk, which typically involves the possibility of a financial loss, incorrect business decisions, misstatement of external financial disclosures or damage to the company’s reputation arising from items such as: errors in the model design and development process (including the design and development of changes to existing models), errors in the data, theory, statistical analysis, assumptions or computer code underlying a model, misapplication of models, or model results, by model users, use of models for which performance does not meet industry and/or company standards, and possible errors in the model production process, such as errors in data inputs and assumptions, or errors in model execution.

**Money Manager Risk:** The money managers selected for a portfolio may underperform the market generally or other money managers that could have been selected for that portfolio. The use of multiple money managers could increase a portfolio’s turnover rates which may result in higher levels of realized capital gains or losses with respect to a portfolio’s securities, higher brokerage commissions and other transaction costs. The investment styles employed by a portfolio’s money managers may not be complementary. The interplay of the various strategies employed by a portfolio’s multiple money managers may result in a portfolio holding a concentration of certain types of securities. This concentration may be beneficial or detrimental to a portfolio’s performance depending upon the performance of those securities and the overall economic environment.

**Mortgage-Backed Securities Risk:** The risk that borrowers may default on their mortgage obligations or the guarantees underlying the mortgage-backed securities will default or otherwise fail and that, during periods of falling interest rates, mortgage-backed securities will be called or prepaid, which may result in having to reinvest proceeds in other investments at a lower interest rate. During periods of rising interest rates, the average life of a mortgage-backed security may extend, which may lock in a below-market interest rate, increase the security’s duration, and reduce the value of the security. Enforcing rights against

the underlying assets or collateral may be difficult, or the underlying assets or collateral may be insufficient if the issuer defaults. The values of certain types of mortgage-backed securities, such as inverse floaters and interest-only and principal-only securities, may be extremely sensitive to changes in interest rates and prepayment rates.

**Municipal Securities Risk:** Municipal securities are subject to interest rate, credit and illiquidity risk and are affected by economic, business, and political developments. Lower rated municipal securities are subject to greater credit and market risk than higher quality municipal obligations. The value of these securities, or an issuer's ability to make payments, may be subject to provisions of litigation, bankruptcy and other laws affecting the rights and remedies of creditors, or may become subject to future laws extending the time for payment of principal and/or interest, or limiting the rights of municipalities to levy taxes. Timely payments by issuers of industrial development bonds are dependent on the money earned by the particular facility or amount of revenues from other sources and may be negatively affected by the general credit of the user of the facility. Municipal securities can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes, or the rights of municipal security holders. In addition, the perceived increased likelihood of default among issuers of municipal bonds has resulted in increased illiquidity, increased price volatility and credit downgrades of such issuers. In addition, the current economic climate, and the perceived increased likelihood of default among issuers of municipal bonds have resulted in increased illiquidity, increased price volatility and credit downgrades of such issuers. A lack of information regarding certain issuers may make their municipal securities more difficult to assess. Additionally, uncertainties in the municipal securities market may result in an account to have to accept a lower price to sell a municipal security, which could have a negative effect on performance.

**Natural Resources Risk:** The market value of natural resources related securities may be affected by numerous factors, including events occurring in nature, inflationary pressures, and international politics. The securities of natural resources companies may experience more price volatility than securities in companies in other industries. Rising interest rates and general economic conditions may also affect the demand for natural resources.

**Private Investment Risk:** Private investments, including debt or equity investments in operating or holding companies, investment funds, joint ventures, royalty streams, commodities, physical assets, and other similar types of investments can be highly illiquid and long-term. A portfolio's ability to transfer and/or dispose of private investments is expected to be restricted. We may not be able to obtain material information about the private investment and private investments are not subject to the same reporting and disclosure requirements as public companies, which may increase the valuation risk for those investments.

**Quantitative Investing Risk:** Quantitative inputs and models use historical company, economic and/or industry data to evaluate prospective investments or to generate forecasts. These inputs could result in incorrect assessments of the specific portfolio characteristics or in ineffective adjustments to the portfolio's exposures. Certain inputs and models may utilize third-party data and models that we believe to be reliable. However, we cannot guarantee the accuracy of third-party data or models.



**Real Estate Risk:** Real estate has risks associated with direct ownership; valuations of real estate may be affected by economic or financial conditions or catastrophic events resulting from forces of nature or terrorist acts.

**Real Estate Investment Trusts (“REITs”) Risk:** REITs are trusts that invest primarily in commercial real estate or real estate-related loans. Investments in REITs will be subject to the risks associated with the direct ownership of real estate. Risks commonly associated with the direct ownership of real estate include fluctuations in the value of underlying properties, defaults by borrowers or tenants, changes in interest rates and risks related to general or local economic conditions. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties.

**Structured Investment Risk:** Structured Investments are typically issued by investment banks or their affiliates and are securities derived from or based on a single security, a basket of securities, an index, a commodity, a debt issuance and/or a foreign currency (each, a Structured Investment). Some Structured Investments offer a substantial level of protection of the principal invested, whereas others offer limited or no protection of the principal. Depending on the structure, the Structured Investment may not pay interest prior to liquidation and may be structured to pay any payments due the client only at maturity. The rate of return, if any, will depend on the performance of the “underlying” basket of stocks, the underlying individual stock, the underlying index and/or the underlying commodity backing the Structured Investment. If the Structured Investment is not designated as being 100% principal protected or insured, then some or all of the portfolio’s principal invested in a Structured Investment may be at risk. In this case, the return of principal is only guaranteed to the extent specified for the Structured Investment and is specifically subject to the underwriter’s credit and the creditworthiness of the issuer. If the return on the “underlying security” is negative, the amount of cash paid to the portfolio at maturity will be less than the principal amount of the investment. It is also possible that at maturity the underlying security may be worth less than the original purchase price. In addition, if the return is positive, payment may be limited because the percentage increase of the underlying basket may be capped or otherwise limited. It should also be noted that there may be little or no secondary market for the Structured Investment and information regarding independent market pricing of the Structured Investment may be limited. Unlike other derivative instruments whose entire value is dependent on some underlying security, index or rate, Structured Investments are hybrids, having components of straight debt securities and components of derivative securities intertwined. In addition to the interest payments, Structured Investments’ redemption value and final maturity can also be affected by the derivative securities embedded within them.

**Sustainable Investing Risk:** Applying sustainability, Environmental, Social, and Governance (“ESG”) and Socially Responsible Investing (“SRI”) criteria to the investment process may exclude or reduce exposure to securities of certain issuers for sustainability reasons and, therefore, a portfolio may forgo some market opportunities available to funds that do not use sustainability criteria. Securities of companies with sustainable practices may shift into and out of favor depending on market and economic conditions, and a portfolio’s performance may at times be better or worse than the performance of portfolios that do not use sustainability criteria. Additionally, there is no guarantee that the use of sustainable, ESG, and SRI investments will operate as expected when addressing positive social or environmental benefits. Ategenos does not use sustainability, ESG, or SRI criteria as the sole criteria to include or exclude strategies from its investable universe.

**Systems and Operational Risks:** On a daily basis, we, along with third parties that we utilize, rely heavily on financial, accounting, and other data processing systems to execute, clear, and settle transactions across numerous and diverse markets and to evaluate certain securities, to monitor portfolios and capital, and to generate risk management and other reports that are critical to oversight of portfolios. We are reliant on systems operated by us, third parties, including money managers, exchanges and similar clearance and settlement facilities, and other service providers. We may not be in a position to verify the risks or reliability of such third-party systems. Human error and failures in the systems could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated, or accounted for. Disruptive events may include, but are not limited to, natural disasters, and public health events, labor shortages, supply chain interruptions and overall economic and financial market instability that adversely affect our ability to conduct business by, among other things, inhibiting the ability of our employees or third-party service providers from performing their responsibilities. Disruptions may cause such portfolios to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention, or reputational damage.

**Tax-Managed Investing Risk:** Market conditions may limit the ability to generate tax losses or to generate dividend income taxed at favorable tax rates. A tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security in order to create tax losses. The ability to utilize various tax management techniques may be curtailed or eliminated in the future by tax legislation or regulation. The pretax performance of a tax-managed account may be lower than the performance of similar advisory accounts portfolios that are not tax-managed. Please note, while a retail account subscribes to a tax-managed overlay strategy, the overlay strategy may not be able to succeed in reducing the amount of taxable income and capital gains to which an advisory account may become subject. The benefit of tax-managed investing to an individual investor is dependent upon the tax liability of an investor, which considers the level of prevailing tax rates. Over time, the ability of a client in a tax-managed strategy to harvest losses may decrease and gains may build up in a securities portfolio. Tax-managed investing does not equate to comprehensive tax advice, is limited in scope, and not designed to eliminate taxes in an account. Mandates or the use of limits to restrict the amount of gains realized on a client's total tax bill may severely restrict trading in the account and could result in substantial deviations from the investment allocation. Tax Overlay screens and limits should only be imposed after client has consulted with their tax advisor. Ategenos does not provide tax planning advice or services.

**Technology and Cybersecurity Risks:** We are dependent on the effectiveness of the information and cybersecurity policies, procedures, and capabilities we maintain to protect the confidentiality, integrity and availability of our computer and telecommunications systems and the data that resides on or is transmitted through them. An externally caused information security incident, such as a cyber-attack, or an internally caused incident, such as a failure to control access to sensitive systems, could materially interrupt business operations or cause disclosure or modification of sensitive or confidential client or competitive information. Our increased use of mobile and cloud technologies could heighten these and other operational risks. Additionally, due to the complexity and interconnectedness of our systems, the process of upgrading existing capabilities, and developing new functionalities, including to address client or regulatory requirements, may expose us to additional cyber and information security risks or systems disruptions. Although we have implemented policies and controls, and taken protective measures, to strengthen computer systems, processes, software, technology assets and networks to prevent and

address data breaches, inadvertent disclosures, cyber-attacks and cyber-related fraud, there can be no assurance that any of these methods are entirely effective due to our interconnectivity with third-party vendors, exchanges, clearing houses and other financial institutions. We may be adversely affected if any third-party vendors, exchanges, clearing houses and other financial institutions are subject to a successful cyber-attack or other information security event.

**Trade and Operational Errors Risks:** Trade errors and other operational mistakes (“Events”) may occur in connection with management of portfolios. We have policies and procedures that address identification and correction of Events and make determinations regarding Events on a case-by-case basis, based on factors we consider reasonable, including regulatory requirements, contractual obligations, and business practices. Not all Events are considered compensable. Relevant factors we consider when evaluating whether an Event is compensable include, among others, the nature of the service being provided at the time of the event, specific contractual and legal requirements, and standards of care, whether an investment objective or guideline was breached, the nature of the investment program, and the nature of the relevant circumstances.

**Vendor Risk:** We rely on a wide array of vendors. Failure by a vendor to perform as required or expected could create a range of adverse effects and may manifest in reduced returns or losses in the portfolios we manage.

**Volatility Risk:** Volatility typically refers to the amount of uncertainty or risk related to the size of changes in an asset or security’s value. The prices of the holdings of a fund may be highly volatile. Price movements of such holdings are influenced by a wide variety of factors, including, among other things, interest rates, changing supply and demand relationships, and trade, fiscal, monetary and exchange control program and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause those markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events (e.g., criminal and/or civil action, administrative proceeding, self-regulatory proceeding) that would be material to your evaluation of them or the integrity of their management. Ategenos has no information applicable to this item.

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

Ategenos does not receive any additional compensation for services or products from any other entity. In addition, we do not receive any additional compensation for placing assets in any investment strategy.

Certain Ategenos personnel can hold board positions with private companies. As a general matter, Ategenos does not invest in these private companies and maintains insider trading and code of ethics procedures to address potential conflicts.

In the future, if a conflict were to arise regarding our current or any new financial industry activities or affiliations, including the receipt of compensation from those sources we would:

- Disclose in this section the existence of material conflicts of interest, including the potential for us and our employees to earn compensation in addition to our stated fees;
- Disclose no obligation to purchase recommended investment products from our employees or affiliated companies;
- Require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interest in such activities are properly addressed; and
- Periodically monitor outside employment activities of our employees to verify that any conflicts of interest continue to be properly addressed.

Ategenos has arrangements that are material to its advisory business or its Clients with a related entity and is under common control with the following entities that are engaged in the securities or investment advisory business. Certain directors of Ategenos also serve as directors and/or executive management of these entities, each a Registered Investment Advisor:

Investnet Asset Management, Inc.  
Firm CRD #111694

Investnet Embedded Advisory, Inc.  
Firm CRD# 322162

Investnet Portfolio Solutions, Inc.  
Firm CRD# 109662

Investnet Retirement Solutions, LLC  
Firm CRD# 171570

FDX Advisors, Inc.  
Firm CRD# 104601

QRG Capital Management, Inc.  
Firm CRD# 305277

Investnet Securities, Inc.  
Firm CRD# 325803

**Principal Office Address (for all):**  
One North Wacker Drive, Suite 1925  
Chicago, IL 60606

**Mailing Address (for all):**  
1000 Chesterbrook Boulevard, Suite 250  
Berwyn, PA 19312

All of the above affiliates are wholly-owned subsidiaries of Investnet, Inc. (NYSE: ENV), whose principal business address is 1000 Chesterbrook Boulevard, Suite 250, Berwyn, Pennsylvania 19312.

Investnet serves as the investment advisor to a mutual fund family, the PMC Funds, which consists of the PMC Core Fixed Income Fund and the PMC Diversified Equity Fund (information available at [www.investpmc.com/solutions/portfolios](http://www.investpmc.com/solutions/portfolios)).

Investnet also serves as the investment adviser to the following proprietary ETFs: ActivePassive™ Core Bond ETF, ActivePassive™ Intermediate Municipal Bond ETF, ActivePassive™ International Equity ETF, and ActivePassive™ U.S. Equity ETF (collectively, the “ActivePassive™ ETFs”).

### **Potential Conflicts of Interest**

The following are relationships that may introduce conflict in recommendations made by Ategenos:

Ategenos may recommend certain Investnet Asset Management (“Investnet PMC”) solutions including PMC Funds, ActivePassive™ ETFs, Tax Overlay Services, Fund Strategist Tax Management Services, and Values Overlay Services to Clients. These recommendations are based on Client investment needs and suitability. Ategenos does not receive any compensation for recommending Investnet Asset Management solutions.

Ategenos may recommend third-party investment strategies in which Investnet PMC Research team has conducted investment due diligence. The Investnet PMC Research team offers Advisors quantitative and/or qualitative analysis of investment strategies or Funds, assigning one of three research statuses: Available, Approved-Quantitative or Approved-Qualitative. The Investnet PMC team updates the research status of strategies and Funds on a quarterly basis, including those that are added to or removed from the Approved List. In addition, PMC provides recommendations of possible replacements for those strategies and Funds that fall off the Approved List each quarter. Research and possible substitutions for demoted or terminated strategies and Funds include, at a high level, Investnet PMC’s ongoing monitoring and updated viewpoints of the products available. Investnet PMC’s platform-level research content does not include in-depth research notes on any specific managers, specific Fund share classes, nor any other materials, content, or services. In designating the Investnet PMC research status of a Fund or investment strategy, the Investnet PMC Research team is providing a professional service to Ategenos. The use of an “Approved” designation does not constitute a recommendation by Investnet PMC of any particular Fund or Investment Strategy to a Client or an assessment that such Fund or Investment Strategy is suitable for a particular Client. It is an Ategenos decision to recommend a Fund or investment strategy to a particular Client as these recommendations are based on Client investment needs and suitability. Ategenos does not receive any compensation for recommending Investnet PMC recommended strategies.

Ategenos may recommend certain QRG Capital Management (“QRG”) solutions to Clients. QRG specializes in quantitative investment management services, including the systematic construction and management of investment strategies grounded in quantitative research. QRG investment strategies that Ategenos may recommend may include passive indexing, factor-based investing, impact investing, and bond ladder portfolios. Ategenos does not receive any compensation for recommending QRG investment strategies.

Investnet, Inc. has a financial interest and occupies board of director positions in Fiduciary Exchange LLC (“FIDx”). FIDx facilitates a program that integrates insurance solutions into the wealth management process on the Platform. FIDx may be recommended by Ategenos and thus creates a potential conflict. Ategenos does not receive any compensation from FIDx for this recommendation.

Investnet, Inc. has a financial interest and occupies board of director positions in Advisor Credit Exchange, LLC (“ACE”). ACE provides lending solutions to Advisors and their clients via the Investnet Platform

through Envestnet's affiliate, Envestnet Financial Technologies, Inc. Neither ACE nor Envestnet offers any loan products or makes any lending decisions. The funding and administration of all loans is undertaken by separate and unaffiliated financial institutions. ACE may be recommended by Ategenos and thus creates a potential conflict. Ategenos does not receive any compensation from ACE for this recommendation.

Envestnet, Inc. has a financial interest and occupies board of director positions in Trucendent, LLC ("Trucendent"). Trucendent facilitates a program that integrates estate planning and trust services into the wealth management process on the Platform. Trucendent may be recommended by Ategenos and thus creates a potential conflict. Ategenos does not receive any compensation from Trucendent for this recommendation.

Ategenos may utilize Envestnet's Alternatives Exchange to provide recommendations of Private Funds to Advisory Firm financial representatives and their clients. The Envestnet Alternatives Exchange is an end-to-end alternative investment platform powered by iCapital that can be accessed through the Envestnet platform. Ategenos does not receive any compensation from Envestnet, iCapital, or any other party for recommending Private Funds using Envestnet's Alternatives Exchange.

#### *Conferences/Events*

Ategenos may solicit sponsorship contributions from fund companies, Sub-Managers and Model Providers, to defer the costs associated with Ategenos conferences, meetings, or events.

Ategenos participates in Advisory Firms' and financial representatives' sponsorship programs and conferences and pays annual commitment fees for participation in such programs.

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

Ategenos has adopted a Code of Ethics and Personal Trading Policy (the "Code") in compliance with Rule 204A-1. The Code expresses the policy and procedures of Ategenos and is intended to ensure that no employee or affiliated person of Ategenos ("Associated Persons") is taking advantage of his or her position, or even giving the appearance of placing his or her own interests above those of Ategenos's Clients. Ategenos's personnel must act as fiduciaries, and as such must place the interests of Clients before their own. Ategenos's Code includes:

- Standards of business conduct, including limitations on giving and receiving gifts and business entertainment, making political contributions, serving as a director or trustee for an outside organization and engaging in outside business activities;
- Compliance with federal securities laws;
- Personal securities reporting;
- Pre-clearance of certain transactions;

- Prohibitions from using nonpublic information to trade in personal or Client accounts;
- Reporting of code violations; and
- Review and enforcement.

All Associated Persons receive and acknowledge the Code and the Ategenos Compliance Policy Manual. In addition, all Associated Persons are required to certify compliance with the Compliance Policy Manual, including the Code, on an annual basis.

#### *Personal Trading*

Ategenos has adopted a personal trading policy outlined within its Code. Ategenos's policy is based on the principle that it owes a fiduciary duty to clients to conduct personal securities transactions in a manner that does not interfere with client transactions or otherwise take unfair advantage of Ategenos's relationship with clients. Ategenos requires Associated Persons to pre-clear certain personal securities transactions. In addition, the Code requires Associated Persons to report certain security holdings initially upon being hired and quarterly thereafter. Finally, Associated Persons are required to report personal securities transactions to the Chief Compliance Officer on a quarterly basis.

#### *Compliance with the Code of Ethics*

Ategenos personnel covered by the Ategenos Code of Ethics ("Covered Persons") must, at a minimum, comply with all applicable legal requirements, including applicable federal and other securities laws. Covered Persons may be held personally liable for any improper or illegal acts committed during the course of their employment, and ignorance of laws and regulations is not a defense. Covered Persons must comply with the requirements of U.S. Securities and Exchange Commission ("SEC") Rule 204A-1 under the Investment Advisers Act of 1940, as amended, which imposes certain code of ethics obligations on investment advisers registered with the SEC. Ategenos's Code of Ethics subjects Covered Persons to standards of business conduct and imposes a requirement to acknowledge written receipt of the code and amendments thereto, and to report violations of the code. Covered Persons are also required to pre-clear trades before directly or indirectly acquiring beneficial ownership in a limited number of securities, namely in (i) Envestnet, Inc. and (ii) a limited offering such as private placements, hedge funds, private equity funds and limited liability company interests. In addition, certain persons called "Access Persons" must pre-clear trades of additional securities before directly or indirectly acquiring beneficial ownership in (i) an initial public offering (ii) any exchange traded equity or fixed income security (excluding securities issued by the U.S. Federal Government or other foreign federal issuance), and (iii) any other securities placed on a restriction list by the Compliance Department. When a pre-clearance request is submitted by an Access Person, a determination will be made as to the appropriateness of the transaction. If the trade appears unlikely to affect the market for the security, is clearly unrelated to the business of the Firm, and poses no conflict of interest with client trades, Compliance or authorized designee may grant approval. Access Persons also are required to provide periodic reports regarding their personal securities activities, including initial and annual holdings reports and quarterly transactions reports. They are also required to provide confirmations (or have their brokers promptly submit duplicate confirmations) of all personal

securities transactions to the Compliance Department and are required to obtain written approval before they may invest in a limited offering (such as a private placement) or an initial public offering.

Ategenos employees or related persons may have accounts with investment managers that are available to Clients as part of the investment solutions offered by Ategenos. In addition, Ategenos employees or related persons may personally buy or sell securities that Clients also own in their accounts. Investment decisions for Ategenos personnel may not be made at the same time or in the same manner as those made for Clients. Ategenos or a related person of Ategenos may purchase or sell securities that are recommended or purchased or sold for Clients. Personal securities transactions by persons identified as Access Persons with Ategenos are subject to Ategenos's Code of Ethics. The Code of Ethics includes various reporting, disclosure and approval requirements, described in the summary below. Ategenos designed these requirements to prevent or mitigate actual or potential conflicts of interest with Clients. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the Code of Ethics is a condition of employment at Ategenos.

In accordance with SEC rules governing investment advisors, Ategenos requires prompt reports of all securities transactions by Access Persons identified in the Code of Ethics as "Reportable Securities" transactions. Ategenos further requires that all brokerage account relationships of such individuals be disclosed, that Ategenos receive duplicate confirmations of transactions and custodial account statements, and annual certifications of compliance with the Code of Ethics from all Access Persons. Transactions in certain securities such as U.S. government securities, banker's acceptances, bank certificates of deposit, and commercial paper, and shares issued by money market funds are excluded from the reporting requirements.

The responsibilities of the Ategenos Chief Compliance Officer (or designee) include overseeing the regular monitoring and verification of compliance of Covered Persons with the requirements of the Code of Ethics, and reporting material violations to Ategenos's senior management. Covered transactions of the Ategenos Chief Compliance Officer are reviewed by another officer (or designee) of Ategenos. In addition to reporting and recordkeeping requirements, the Code of Ethics imposes various substantive and procedural restrictions on Reportable Securities transactions. The Chief Compliance Officer may recommend to management the imposition of more severe sanctions, including suspension of personal investing privileges, or termination of employment, in the case of certain types of violations.

Ategenos's Chief Compliance Officer is primarily responsible for implementing and administering the Code. Associated Persons are required to report any violations of the Code or applicable laws. Failure to comply with the Code can result in disciplinary action, up to and including termination.

Upon request, Ategenos will provide a complete copy of our Code at no charge.

## **Item 12 – Brokerage Practices**

### *Research and Other Soft Dollar Benefits*

Soft dollar arrangements are any agreement, arrangement or understanding, whether written, verbal or otherwise, with a broker-dealer in which products or services are provided for free, or at a discount, and



that are expressly or implicitly conditioned on the amount of trading directed to a particular broker-dealer. Ategenos does not utilize any research or other services pursuant to a soft dollar arrangement.

#### *Brokerage for Client Referrals*

Neither Ategenos nor any Associated Persons receive Client referrals from broker-dealers or third parties in exchange for selecting or recommending a broker-dealer.

#### *Directed Brokerage*

Ategenos does not trade Client accounts as we rely on the Advisory Firm or Overlay Manager, or the Platform Provider for the Wealth Platform, of our model portfolios to retain the discretion as to whether to implement our recommendations for Clients. The Advisory Firm, Overlay Manager, or Platform Provider typically initiates and executes trades for model portfolio arrangements. For Clients not using the Wealth Platform, underlying model portfolio Clients are receiving investment management services from the Advisory Firm or Overlay Manager rather than directly from Ategenos, and Ategenos generally has limited information regarding the Advisory Firm's Client.

Currently, Ategenos Capital does not trade client accounts; however, Ategenos does provide models to Advisory Firms or Overlay Manager or model updates to the Platform Provider for the Wealth Platform, to implement on behalf of Client accounts. At such time when Ategenos employs trading, the intent of the Ategenos trade-rotation policy will be to allocate transactions equitably over time across Advisory Firms, subject to extenuating circumstances and to trading directions imposed by clients. Ategenos will attempt to communicate information regarding model portfolios or any model updates thereto simultaneously with its decision to trade its discretionary accounts. However, the timing of trading of model portfolios available through Advisory Firms may differ from the timing of the same or similar models that Ategenos provides direct advisory services due to the speed of trades, the vehicles in which the models invest, trading and/or custodial arrangements, among other factors. It is possible that Ategenos will act on such recommendations before Advisory Firms, and other investment advisers who make execution decisions for the implementation of model portfolios, commence trading based on Ategenos recommendations. As a result, the performance of client accounts participating in advisory programs sponsored by third parties may deviate from the model portfolios or advisory accounts managed by Ategenos on a discretionary basis, and clients participating in advisory programs sponsored by third parties may receive prices (particularly with large orders or where the securities are thinly traded) that are less favorable than the prices obtained for Ategenos discretionary accounts.

#### *Trade Errors*

Although Ategenos takes reasonable steps to avoid errors, occasionally errors do occur. Ategenos seeks to identify errors and works with the Advisory Firm, Overlay Manager, or Platform Provider to correct the error affecting any Client account as quickly as possible, in order to put the Client in the position they would have been in had the error not occurred, without disadvantaging the Client or benefiting Ategenos. Errors may be corrected by either the purchase or sale of a security as originally intended, or in the form of monetary reimbursement to the applicable Client account. If the error is the responsibility of Ategenos, any Client transaction will be corrected, and Ategenos will be responsible for any Client loss resulting from an inaccurate or erroneous instruction. If we are notified of an error that Ategenos is responsible for that

is more than 90-days from the date of the error, Ategenos will reimburse Client for any loss to Client account from the date of the error through 90-days. Ategenos's policy and practice are to monitor and reconcile trading instructions, identify, and resolve any trade errors promptly, document each trade error with appropriate supervisory approval and maintain a trade error file. In the case of errors due to the inaction, or actions of others (e.g., Overlay Manager, Platform Provider, Sub-Manager, Custodian, etc.), Ategenos may help facilitate the error correction process, again in the best interests of mutual Clients.

### **Item 13 – Review of Accounts**

Ategenos performs ongoing reviews of Client accounts where client information is available to Ategenos to manage the client account(s). Clients receive statements from the custodian at least quarterly providing a detailed list of holdings with valuations and account activity as well as confirmations of all securities transactions. In addition, depending on the Advisory Firm, Clients may also receive a periodic performance report prepared by Advisory Firm, or if Ategenos Wealth Platform, Ategenos, showing the allocation of the assets in the account as well as the performance of the account during the previous quarter. Advisory Firm financial representatives are responsible for reviewing Client accounts and are required to contact Clients on at least an annual basis to determine if there have been any changes to the Client's financial situation and stated investment objectives or if the Client wishes to impose any reasonable investment restrictions on the management of the assets in the account.

For the Ategenos Wealth Platform, Client's Advisory Firm and their financial representative are responsible for reviewing Client responses to a risk tolerance questionnaire or similar information and assist Client in determining if a Portfolio(s) is appropriate for Client and, if it is, making a final determination as to the most appropriate Portfolio for Client from among the Portfolios available within the Wealth Platform. In addition, Client's Advisory Firm financial representative agrees to meet with Client at least annually to discuss and review any changes to Client's financial situation. Ategenos and any discretionary Sub-Manager that provides ongoing monitoring of the Portfolios, seek to ensure each Portfolio remains aligned with factors such as its investment objective, guidelines, and restrictions. Sub-Manager's ADV Part 2 contains additional details about each of their account review processes, which Client can obtain from their Advisory Firm financial representative or by searching by "Firm" at <https://adviserinfo.sec.gov/>.

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

Ategenos does not currently have any client referral arrangements in place. If Ategenos pays or receives a cash fee for client referrals, Ategenos will comply with the requirements of the SEC's cash solicitation rules to the extent that they apply.

Ategenos may provide fee schedule breakpoints and/or fee discounts to Advisory Firms and/or Advisory Firm financial representative dependent on the amount of assets the Advisory Firm and/or Advisory Firm financial representative may have with Ategenos; however, Ategenos does not compensate Advisory Firm and/or Advisory Firm financial representative for recommending or referring their Clients. Ategenos may

participate in Advisory Firm education/marketing programs and may pay Advisory Firm annual sponsorship commitment fees for participation in such programs.

Ategenos does not retain 12b-1 fees from mutual funds in which Clients invest.

#### **Item 15 – Custody**

All Client account assets are held in “custody” (as defined in Rule 206(4)-2 under the Advisers Act) by unaffiliated broker-dealers, banks, or other independent qualified custodians, and Ategenos does not act as physical custodian of any Client account. Neither Ategenos nor any employees are permitted to accept or maintain physical custody of Client assets at any time. However, Ategenos may be deemed to have custody of client assets if the client gives Ategenos authority to withdraw assets from the client’s account. In most cases, Client’s Advisory Firm is responsible for selecting the custodian for assets.

Among other, Ategenos provides access to the following qualified custodians for the Wealth Platform:

- Fidelity Brokerage Services, LLC (“Fidelity”), 200 Seaport Boulevard, Boston, MA 02210

Ategenos may also make available the following qualified custodians for the Wealth Platform upon request of the Advisory Firm if the Advisory Firm maintains an agreement with the qualified custodian to provide custodial services to their clients:

- Charles Schwab & Co., Inc. (“Schwab”), 4722 North 24<sup>th</sup> Street, Suite 400, Phoenix, AZ 85016

For the Wealth Platform, generally, on a quarterly basis, Ategenos will provide each Client with a report detailing the performance of Client’s account and holdings analysis of the selected Portfolio(s). The report will also include a reminder that Client should inform their Advisory Firm financial representative promptly of any changes in their financial situation or investment objectives or if they wish to modify or impose any restrictions on their account.

Additionally, Client will be provided trade confirmations or transaction statements from the Custodian pertaining to Client’s account. If at any time, Client does not receive a statement on at least a quarterly basis from their Custodian, we encourage Client to contact their Advisory Firm financial representative immediately. In addition, Ategenos encourages Client to compare their Custodian statements with reports or information provided by Ategenos and to contact their Advisory Firm financial representative immediately if Client finds any discrepancies. The information in reports provided by Ategenos may vary from Client custodial statements based on differences in accounting procedures and reporting dates.

Tax documents and information are reported to the IRS by Client’s Custodian.

#### **Item 16 – Investment Discretion**

Clients that participate in Advisory Firm programs, not including the Wealth Platform, upon which Ategenos makes investment solutions available, are required to grant discretionary investment authority to either Advisory Firm or Overlay Manager for the management of those assets pursuant to the

Investment Strategy or Models selected by Advisory Firm financial representative and/or Client. Ategenos exercises discretion as a fiduciary by implementing the investment selections of Model portfolios provided to Advisory Firm or Overlay Manager. For Client assets that are invested under an Advisory Firm program, such discretion is to be exercised in a manner consistent with the stated investment objectives of the Investment Strategy or Model selected. Advisory Firm financial representative and Clients should notify Advisory Firm or Overlay Manager if such investment objectives have changed so that appropriate changes can be made within the Client portfolio.

#### *Wealth Platform*

For the Wealth Platform, in order to provide the discretionary authority to invest and reinvest securities for Client's account, Client grants Ategenos (and when applicable, Sub-Managers and Platform Provider) authority to make investment decisions and initiate transactions on Client's behalf without seeking approval or discussing these investment decisions first with Client, the Advisory Firm or Client's Advisory Firm financial representative with the exception of certain assets held within the Client account or under specific circumstances mutually agreed upon. Ategenos is primarily responsible for making any securities related investment decisions, however certain features in the Wealth Platform may allow Client's Advisory Firm financial representative to make certain decisions about Client's account, such as rebalancing, reallocating, tax loss harvesting and tax transition management. If Client, Client's Advisory Firm and Client's Advisory Firm financial representative engage in any trading or activities outside the available features and options in the Wealth Platform, Ategenos may recover costs, expenses and/or losses associated with correcting such unauthorized activities from Client, Client's Advisory Firm or Client's Advisory Firm financial representative. The portfolio construction and on-going portfolio monitoring for Ategenos investment solutions will be performed by Ategenos.

Ategenos's investment decision making authority as described above does not include Ategenos having direct access to or the authority to obtain possession of Client account assets.

#### **Item 17 – Voting Client Securities**

For Client accounts not on the Ategenos Wealth Platform, Client may delegate proxy voting responsibilities to Advisory Firm or Overlay Manager. Ategenos does not vote proxies as it is acting as a model portfolio provider. The assignment of proxy voting is facilitated outside of Ategenos, through the custodial paperwork that Client and Advisory Firm financial representative completed at the time of investing. Clients may retain the right to vote securities, or delegate the authority to vote securities to another person and may do so by notifying Advisory Firm financial representative.

#### *Wealth Platform*

Client may delegate proxy voting responsibilities to Advisory Firm, who in turn may delegate to Ategenos or in certain circumstances, may delegate directly to Ategenos. In cases where Ategenos is directed to vote on Client's behalf, Ategenos acknowledges that it has a fiduciary obligation to Clients to ensure that any proxies, for which it has voting authority, are voted solely in the best interests and for the exclusive benefit of Clients. The policies are intended to guide Ategenos and its personnel to ensure proxies are

voted in such manner without limiting Ategenos or its personnel in specific situations to vote in a predetermined manner. These policies are designed to assist Ategenos in identifying and resolving any conflicts of interest it may have in voting Client proxies.

Ategenos has developed appropriate proxy voting policies and procedures to ensure that proxies that have been delegated to Ategenos are voted in the best interests of Clients. These policies and procedures are relatively general in nature to allow Ategenos the flexibility and discretion to use its business judgment in making appropriate decisions with respect to our proxy voting process. Clients retain the right to vote securities, or delegate the authority to vote securities to another person and may do so by notifying their Advisor Firm financial representative or Ategenos.

It is Ategenos's policy to vote Client shares primarily in conformity with Institutional Shareholder Services ("ISS") recommendations and in order to limit conflict of interest issues between Ategenos and Clients, Ategenos does not take an independent position on any proxy votes. If ISS does not provide a recommendation, Ategenos will vote in accordance with management recommendations. Ategenos cannot accommodate individual or specific voting requests.

ISS is an independent third party that issues recommendations based on its own internal guidelines. Generally, Ategenos votes Client shares via ISS which retains a record of proxy votes for each Client. Ategenos may also utilize [www.proxyvote.com](http://www.proxyvote.com) (to process votes for paper proxies). ISS does not consider specific client circumstances when providing Ategenos with its voting recommendations.

Ategenos may choose not to vote proxies in certain situations or for certain accounts, such as: (1) where Client has informed Ategenos that it wishes to retain the right to vote the proxy, Ategenos will instruct the custodian to send all proxy materials directly to the Client; (2) where a proxy is received for Client account that has been terminated with Ategenos, or for a security Ategenos no longer holds in Client account; or (3) when voting a proxy would restrict the ability to trade the shares.

Advisory Firm and their clients that delegate voting obligations to Ategenos are responsible for determining if the voting process used by Ategenos is appropriate for the client. Ategenos does not have a relationship with the individual shareholder, and is unable to determine what is in the best interest of each client. Furthermore, the assignment of proxy voting is facilitated outside of Ategenos, through the custodial paperwork that Advisory Firm's financial representative and their client completed at the time of investing.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about an adviser's financial condition. Ategenos fees are generally billed quarterly in advance, although certain Advisory Firms may bill fees in arrears. Ategenos does not require such advance payment six months or more in advance of more than \$1,200 in fees per client. Ategenos does not currently believe nor foresee any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients. Ategenos has not been the subject of a bankruptcy petition.