



AZZAD ASSET MANAGEMENT, INC.

FOR CLIENTS AND PROSPECTIVE CLIENTS OF AZZAD'S ETHICAL WRAP PROGRAM

WRAP FEE PROGRAM BROCHURE (APPENDIX 1 TO FIRM BROCHURE)

OCTOBER 24, 2024

**Azzad Asset Management, Inc.
3141 Fairview Park Drive, Suite 355
Falls Church, VA 22042
Phone: 888.862.9923 www.azzadasset.com**

1. COVER PAGE

This wrap fee program brochure provides information about the qualifications and business practices of Azzad Asset Management, Inc. ("Azzad", or the "firm"). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer, Manal Fouz, at (888) 862-9923 or by email at manal@azzadasset.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Azzad is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information you can use to determine whether to hire or retain an Adviser.

Additional information about Azzad is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number known as a "CRD number". Our firm's CRD number is 111291.



2. MATERIAL CHANGES

Since the March 25, 2024 annual amendment filing:

- This Wrap Fee Program Brochure has been amended at Item 4 to add a new fee tier to our standard fee schedule, and to clarify when clients may take advantage of “householding” billing procedures, depending on which broker-dealer they choose to engage to provide brokerage and clearing services as further described in Item 4.
- This Wrap Fee Program Brochure has been amended at Item 9 to describe an order issued by the SEC, pursuant to an offer of settlement, containing findings regarding Azzad’s failure to file Form 13F on a timely basis. Please see Item 9 for additional information.

Azzad may, at any time, update this brochure and either: (1) send you a copy without charge; or (2) provide a summary of the material changes and offer to send you a copy of the ADV Part 2 without charge, provided the offer is accompanied by certain contact information. Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

A copy of Azzad’s Brochure may be requested by contacting the Chief Compliance Officer, Manal Fouz, at 703-207-7005 or manal@azzadasset.com.



3. TABLE OF CONTENTS

Item 1. Cover Page	1
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Services, Fees and Compensation	4
A. Description of Our Services	4
B. Fees and Compensation	6
C. Additional Fees	7
D. Compensation to Others	8
Item 5. Account Requirements and Types of Clients	8
A. Account Requirements	8
B. Types of Clients	9
Item 6. Portfolio Manager Selection and Evaluation	9
A. Selection and Review of Portfolio Managers	9
B. Whether Azzad, Related Persons or Supervised Persons act as Portfolio Managers	9
Item 7. Client Information Provided to Portfolio Managers	15
Item 8. Client Contact with Portfolio Managers	15
Item 9. Additional Information	15
A. Disciplinary Information	15
B. Other Industry Affiliation	16
C. Selection of Third-Party Investment Advisers for Clients	16
D. Code of Ethics, Participation or Interest in Client Transactions and Personal trading	16
E. Review of Accounts	18
F. Client Referral and Other Compensation	19
G. Financial Information	19



4. SERVICES, FEES, AND COMPENSATION

A. DESCRIPTION OF OUR SERVICES

Azzad Asset Management, Inc. (“we” or “Azzad”) sponsors a wrap program called the Azzad Ethical Wrap Program (“Ethical Wrap Program” or “Program”). The Program provides you with investment advice and investment management services for a wrap fee (See Item 4.B – Fees and Compensation). It provides access to independent and affiliated portfolio managers (“manager” or “portfolio manager”) by investing in model portfolios. Specific services or features offered in the Program include an assessment of your investment needs and objectives, ongoing monitoring and due diligence of each manager’s performance, asset allocation advice, account rebalancing and continuing evaluation of investment performance.

Azzad assigns you an Azzad Investment Adviser Representative (IAR) to gather information about your investment objectives. The IAR will help you complete a questionnaire that will help us develop your Investment Policy Statement or “IPS” (incorporated herein by reference). Azzad will manage your account using this IPS, as well as any additional written or oral investment instructions, objectives, and limitations regarding investments suitable for you. The questionnaire asks for information regarding your financial situation, investment objectives, investment time horizon and other relevant matters.

Your assets are allocated in one of five different Azzad strategies composed of various portfolios. Clients may also choose to work with their IARs to develop different variations of these five asset allocation strategies. The asset allocation strategies range from conservative to aggressive and differ in their allocations to Azzad’s proprietary mutual funds (Azzad Wise Capital Fund and Azzad Ethical Fund) and other equities. Various portfolios are managed by independent managers. The managers, using various available sources of information, have developed methods of analysis, styles, or specialties that we believe is suitable for your account. Each manager begins their investment process with our socially responsible Islamic investment philosophy. To assist managers in choosing stocks that comply with our investment philosophy, we created a proprietary software application called the Investment Screening Filtering Application (“ISFA”). ISFA helps managers automatically screen their stock universe(s) for compliance with our investment guidelines. Our managers also refrain from using certain investment techniques we believe are contrary to our investment philosophy. These include, but are not limited to, buying and selling on margin, short selling, hedging, and using options trading.

Azzad manages the Program’s accounts on a discretionary basis, and it has full authority to determine which securities are purchased and sold and in what amounts.

Under the Program, clients have access to a broad range of financial planning services which may include tax-related and other non-investment related matters. The services provided by Azzad may include developing a financial plan, tax planning, retirement planning, estate planning, education planning, insurance planning and charitable planning. To perform its services, Azzad is not required to verify any



information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on information provided by the client.

Azzad does not serve as a law firm, accounting firm, charity administrator or insurance agency, and no portion of Azzad's services should be construed as legal, accounting, charitable administrator, or insurance implementation services. Accordingly, Azzad does not prepare estate planning documents, tax returns, or sell insurance products. To the extent requested by a client, Azzad may recommend the services of other professionals for certain non-investment implementation purposes (i.e., attorneys, accountants, insurance agents, charity administrators, etc.). Note that Azzad does not have any referral or solicitation arrangements with third parties. Clients are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by Azzad or its representatives. However, if the client engages any unaffiliated recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

ERISA / IRC Fiduciary Acknowledgment. When Azzad provides investment advice to a client about the client's retirement plan account or individual retirement account, it does so as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. Because the way Azzad makes money creates certain conflicts with client interests, Azzad operates under a special rule that requires it to act in the client's best interest and not put its interests ahead of the client's. Under this special rule's provisions, Azzad must: meet a professional standard of care when making investment recommendations (give prudent advice); never put its financial interests ahead of the client's when making recommendations (give loyal advice); avoid misleading statements about conflicts of interest, fees, and investments; follow policies and procedures designed to ensure that Azzad gives advice that is in the client's best interest; charge no more than is reasonable for Azzad's services; and give the client basic information about conflicts of interest.

Retirement Plan Rollovers – No Obligation/Potential for Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Azzad recommends that a client roll over their retirement plan assets into an account to be managed by Azzad, such a recommendation creates a conflict of interest if Azzad will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by Azzad.



B. FEES AND COMPENSATION

The Ethical Wrap Program is available to you for an all-inclusive fee based on the market value of the account in accordance with the Schedule of Fees described below unless otherwise agreed to by both parties. The below fees do not include any fees assessed by mutual funds that may be included in your account. See 4.C. Additional Fees.

The fees are as follows:

<u>Market Value</u>	<u>Annual Fee</u>
\$0-\$500,000	1.75% on the first \$500,000
\$500,001-\$2,000,000	1.5% on the next \$1,500,000
\$2,000,001-\$4,000,000	1.4% on the next \$2,000,000
\$4,000,001-\$10,000,000	1.3% on the next \$6,000,000
\$10,000,001 and over	1.2% on assets over \$10 million

You pay one twelfth of the annual wrap fee, which is deducted directly from your account at the beginning of each month. The first payment is due upon execution of an Investment Advisory Agreement (“Agreement”) and will be based upon the opening value of your account. In certain circumstances and in Azzad’s discretion, the wrap fee may be negotiated based on several factors including the account type(s), size of the account, portfolios selected for investment and other factors.

The account’s custodian debits all account wrap fees payable pursuant to the Agreement directly from your account. Fees due are debited first from free credit balances in the account, and second, from the liquidation of other securities in the account.

The Ethical Wrap Program allows you to pay a specified fee for investment advisory services and the execution of transactions. The advisory services include portfolio management and/or advice concerning the selection of other advisers, as well as various planning services. The wrap fee is not based directly upon transactions in your account. By participating in a wrap fee program, you may pay more or less than purchasing you would through a non-wrap fee program where a lower advisory fee is charged or investments in securities or mutual funds, but trade execution costs are passed directly through to you by the executing broker. However, it is important to note that none of Azzad’s portfolios (other than its two mutual funds) are available outside of Azzad’s Wrap Program. Moreover, you would not have access to our planning services outside of our Wrap Program.

For clients whose advisory accounts are held at Schwab, Schwab has eliminated commissions for online trades of U.S. equities, ETFs, and options (subject to \$0.65 per contract fee). This means that, in most cases, when we buy and sell these types of securities, we will not have to pay any commissions to Schwab. We encourage you to review Schwab’s pricing to compare the total costs of entering into a wrap fee arrangement versus a non-wrap fee arrangement. If you choose to enter into a wrap fee



arrangement, your total cost to invest could exceed the cost of paying for brokerage and advisory services separately. However, our investment portfolios are not available to clients outside the wrap fee program.

As Azzad absorbs certain transaction costs in wrap fee accounts, Azzad may have a financial incentive not to place transaction orders in those accounts since doing so increases its transaction costs. Thus, an incentive exists to place trades less frequently in a wrap fee arrangement.

C. ADDITIONAL FEES

Mutual Fund fees are separate from the fees stated above under the Ethical Wrap Program standard fees. Azzad waives the Ethical Wrap Program fee on assets invested in its proprietary funds, the Azzad Mutual Funds (namely, the Azzad Wise Capital Fund (WISEX) and Azzad Ethical Fund (ADJEX)). However, mutual funds have internal expenses such as portfolio management, legal and accounting, printing, marketing, distribution, trading costs and other administrative expenses, including fees paid to custodians. Fund expenses are more fully disclosed in the Azzad Mutual Fund's prospectus (for a free copy, please call 888.862.9923). As the Investment Advisor to the Azzad Mutual Funds, Azzad receives a management fee from assets invested in the Funds.

You have full discretion to request the removal of the Azzad Funds from your account. In addition, you may incur certain incidental service fees by the custodian for special services such as bank wires, transfer of securities between accounts, outgoing transfer of securities, fees for trades executed away from the custodian, and other services. You may obtain a complete list of these service fees from Azzad by oral or written request. These fees will be automatically debited from your account.

Conflicts of Interest: As Investment Adviser to the Azzad Ethical Fund (ADJEX) and Azzad Wise Capital Fund (WISEX), Azzad is contractually obligated to waive all or a portion of its management fees and to reimburse each Fund to the extent necessary to limit operating expenses to 0.99% of assets for the Azzad Ethical Fund and 0.89% for the Azzad Wise Capital Fund. By increasing the assets in the Azzad Funds, Azzad may be able to eliminate or reduce its reimbursement obligation. Therefore, Azzad has an incentive to allocate the Program's assets into the Azzad Ethical Fund and Azzad Wise Capital Fund. Broker-dealers, whom Azzad uses for the Ethical Wrap Program, will receive a 12b-1 fee (an expense charge against fund assets by fund companies that are paid to broker-dealers to assist with marketing and servicing fund sales) from the Azzad Funds.

In certain circumstances, clients whose advisory accounts are held at Fidelity Brokerage Services ("Fidelity") will incur additional transaction fees for trades executed via individual transaction charges when choosing to receive paper delivery of their statements. These transaction fees are separate from our firm's wrap fees and will be charged by Fidelity. Clients may avoid these transaction fees for U.S. listed equities and exchange traded funds by either opting into electronic delivery of statements or maintaining at least \$1 million in assets at Fidelity.



A client's actual fees will depend on their allocation and total household assets under management with Azzad. Depending on unique circumstances (another existing account relationship with a client, expected dramatic account growth, account type, special conditions, etc.), fees may be subject to negotiation. The specific way fees are charged by Azzad is established in a client's written agreement with us. We reserve the right to charge clients wrap fees that are lower than the above fee schedule.

We provide "householding" billing for clients who maintain their accounts at Charles Schwab & Co., Inc., or Fidelity Brokerage Services, LLC. In those cases, Azzad combines managed account values for family members living in the same household at either custodian to increase the managed asset total, and ultimately reduce the wrap fee based on the available breakpoints in the fee schedule above. We provide limited "householding" for clients who maintain accounts at Goldman Sachs. Only accounts opened with the same social security number or tax identification number are "household" in determining breakpoints in our fee schedule. In determining our fee, we also do not "household" accounts held at Goldman Sachs with accounts held at Charles Schwab & Co., Inc., or Fidelity Brokerage Services, LLC. For example, we would not combine the account values for spouses sharing the same household who each own an account maintained at Goldman Sachs to reduce the wrap fee based on the available breakpoints in the fee schedule above.

D. COMPENSATION TO OTHERS

Our IARs receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm. In cases where our IARs are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in our wrap fee program rather than a non-wrap fee program (such as direct investments in the Azzad Funds).

Additionally, other investment advisors recommending the Ethical Wrap Program to you receive compensation because of your participation in the Program. The amount of compensation may be more than what the investment advisor would receive if you participated in other programs available through Azzad or paid separately for investment advice, brokerage, and other services. Therefore, the IAR may have a financial incentive to recommend the Ethical Wrap Program over other programs or services.

5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

A. ACCOUNT REQUIREMENTS

For the Ethical Wrap Program, Azzad requires a minimum investment value of \$500,000 in any combination of cash and securities. This minimum may be the total sum of all accounts combined (i.e., IRA, Individual Investment, etc.) The minimum investment size may be waived at Azzad's discretion.



B. TYPES OF CLIENTS

Azzad serves many types of clients including individuals (including high-net worth individuals), pension and profit-sharing plans, corporations, charitable organizations, trusts, and other business entities.

6. PORTFOLIO MANAGER SELECTION AND EVALUATION

A. SELECTION AND REVIEW OF PORTFOLIO MANAGERS

Azzad hires independent investment management firms to manage various model portfolios in the Ethical Wrap Program. Generally, the program's managers must meet certain minimum requirements to be included in the Program including a performance track record prepared in accordance with the Global Investment Performance Standards (GIPS®) and third-party verification by an independent party. Azzad evaluates all investment managers who manage client accounts. Each manager provides Azzad with relevant documentation, which may include sample portfolios, regulatory and legal updates, and copies of Form ADV, past performance information, marketing literature, key personnel qualifications biographies, and other relevant documents.

If, because of its ongoing evaluation, Azzad finds it necessary to either remove the portfolio managed by an investment manager or terminate the investment manager, then that action shall be carried out without your prior consent. Circumstances under which Azzad may replace a portfolio manager include (but are not limited to) poor performance results, significant failure to abide by its own compliance procedures, significant failure to abide by Azzad's socially responsible Islamic investment guidelines and detrimental financial condition.

Azzad claims compliance with the Global Investment Performance Standards (GIPS®) and is third party verified.

B. WHETHER AZZAD, RELATED PERSONS OR SUPERVISED PERSONS ACT AS PORTFOLIO MANAGERS

Azzad acts as a portfolio manager for a part of the Ethical Wrap Program. Azzad manages the REITs, Mid Cap Value and Dividend strategies. Azzad also acts as the Investment Adviser to the Azzad Funds and receives a fee for this service. This causes a conflict of interest because we recommend that you purchase the portfolios we manage including the Azzad Funds (Azzad Ethical Fund (ADJEX) and Azzad Wise Capital Fund (WISEX)), as part of your Ethical Wrap Program.

We have created several policies and procedures to mitigate this conflict of interest. It is Azzad's policy that our IARs should make the recommendation to use the portfolios we manage internally, including the Azzad Funds, only when it is consistent with the client's investment objectives. In addition to its fiduciary duty to the client, Azzad has adopted a Code of Ethics that binds its IARs. Furthermore, Azzad waives the Ethical Wrap Program fee on assets from clients who hold the Azzad Funds in their accounts. Finally, clients have full discretion to request the removal of the Azzad Funds (and/or any portfolio managed internally) from their accounts.



Azzad holds itself to the same standards it requires of independent managers.

i. ADVISORY BUSINESS

Please see Item 4.A of this Wrap Fee Program Brochure for information about our wrap fee advisory program.

ii. TAILORED SERVICES

The Ethical Wrap Program is individualized or tailored to your needs, goals, risk appetite, and objectives. Clients complete a risk assessment questionnaire and/or interview used to create an Investment Policy Statement tailored to meet client's current situation. The Investment Policy Statement outlines each client's risk tolerance levels and is used to construct a specific plan to aid in the selection of an appropriate portfolio. Clients may impose reasonable restrictions on their account investments. However, if the restrictions prevent Azzad or its representatives from properly servicing the account, or if the restrictions require Azzad to deviate from its standard services, Azzad reserves the right to terminate the relationship. Additionally, at your request, Azzad will remove the Azzad Funds from your Ethical Wrap Program account.

iii. WRAP FEE PROGRAM

Azzad does not manage wrap fee accounts in a different fashion than non-wrap fee accounts. It manages all accounts according to its socially responsible Islamic investment philosophy. As further described in this Wrap Fee Program Brochure, Item 4.B & C, Azzad receives a portion of the wrap program fee for its services.

iv. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Azzad does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

v. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

Wrap accounts include portfolios consisting of securities selected by each respective portfolio's model manager. Each manager, using various available sources of information, has developed a method of analysis, style, or specialty that we believe is suitable for our wrap account clients. Managers begin their investment process with our investment philosophy (described below). They generally do not have direct or indirect responsibility for client accounts, nor do they communicate with clients. Their sole responsibility is to manage the model portfolios they are assigned within the wrap account. They will normally only recommend securities for a model portfolio but have no or limited authority to effect account transactions.



Azzad's internal investment team and our unaffiliated managers may use the following methods of analysis when managing client assets for the wrap program:

FUNDAMENTAL ANALYSIS. The intrinsic value of a security is analyzed by reviewing economic and financial factors (including the overall economy, industry conditions, the financial conditions and management of the company itself) to determine if the company is underpriced (suggesting it may be a good time to buy) or overpriced (suggesting it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. There is risk in the fact that the price of a security can move up or down along with the overall market, regardless of the economic and financial factors considered in evaluating the stock.

CYCLICAL ANALYSIS. In this type of technical analysis, the movements of a stock against the overall market are analyzed to predict the price movement of the security.

QUANTITATIVE ANALYSIS. Mathematical modeling is used to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and to predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect, including usage of historical data, which may present certain limitations.

QUALITATIVE ANALYSIS. In this type of analysis, factors that are difficult to quantify (such as quality of management and operations, labor/client relations, strength of research and development factors, legal and reputational aspects, which are not readily subject to measurement) are evaluated to predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

ASSET ALLOCATION. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities and fixed income will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals. In addition, the fixed income portion of Azzad's Ethical Wrap Program is not diversified because it invests solely in a proprietary mutual fund, the Azzad Wise Capital Fund (WISEX).

THIRD PARTY MODEL MANAGERS. A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, we do not control the underlying investments in a third-party manager's portfolio (other than enforcing our socially responsible Islamic screens). There is a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory, or reputational deficiencies.



However, to mitigate these risks, Azzad conducts ongoing due diligence on the managers it hires in the Ethical Wrap Program.

SOCIALLY RESPONSIBLE ISLAMIC INVESTMENT PHILOSOPHY. Our investment approach incorporates socially responsible Islamic investment screens with our affiliated and independent portfolio managers' specific investment process to deliver a portfolio that we believe is promising. These screens include avoiding companies that earn more than 5% of their revenue from the following lines of business: alcohol, tobacco, pork, gambling, pornography, defense companies, insurance, and interest lending arrangements (which means we avoid most banks and financial services companies). In addition to the above qualitative screens, we also incorporate financial screens in our investment philosophy such as avoiding companies with excessive debt.

To assist portfolio managers in choosing stocks that comply with our investment philosophy, we created a proprietary software application. ISFA (Investment Screening Filtering Application) helps managers automatically screen their stock universe(s) for compliance with our investment guidelines. Once a security passes, it must then pass the manager's investment process to be included in the portfolio. However, we recognize that companies are dynamic. Their balance sheets and lines of business can change periodically. Therefore, we continue to monitor all our and our managers' holdings to ensure that they remain in compliance with our investment philosophy.

Our managers also refrain from using certain investment techniques we believe are contrary to our investment philosophy. These include buying and selling on margin, short selling, hedging, and using options trading.

Investment Strategies

Client accounts are invested in one of five asset allocation strategies ranging from conservative to aggressive. Clients may also choose to work with their IARs to develop different variations of these strategies. The strategies vary in their exposure to different equity categories (diversified among international, large/mid/small, REITs, and others) and fixed income (as represented by the Azzad Wise Capital Fund). Due to Azzad's investment philosophy, the fixed income portion of the strategies is not diversified and limited to the adviser's proprietary mutual fund.

INVESTMENT RISKS

Although we work hard to preserve your capital and achieve real growth of client wealth, all investments bear different types and degrees of risk and **investing in securities involves risk of loss (including loss of principal) that clients should be prepared to bear.** No investment strategy can protect against risk of loss in the stock markets. Our managers use various investment techniques and strategies to try to control risk in the portfolios they manage. Still, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. Clients need to ask questions about risks they do not understand. We would be pleased to



discuss them. Ultimately, however, there is no guarantee that your investments will not lose money. Clients should understand that they could lose some, or, all their investment, and should be prepared to bear the risk of such potential losses.

We strive to render our best judgment on behalf of our clients. Still, we cannot assure or guarantee you that investments will be profitable or assure that no losses will occur in an investment portfolio. Past performance is an important consideration with respect to any investment or investment adviser but is not a reliable predictor of future performance. We continuously strive to provide outstanding long-term investment performance, but many economic and market variables beyond our control can affect the performance of an investment portfolio.

American Depositary Receipts. We may invest in American Depositary Receipts (“ADR”), also known as American depositary shares. An ADR is a receipt for the shares of a foreign-based corporation held in the vault of a U.S. bank and entitling the shareholder to all dividends and capital gains. Instead of buying shares of foreign-based companies in overseas markets, Americans can buy shares in the U.S. in the form of ADRs. ADRs are available for hundreds of stocks from numerous companies. ADRs make trading foreign securities in the U.S. easier by eliminating currency exchange, legal obstacles, foreign ownership transfers and the need to trade on a foreign exchange. While an ADR removes direct foreign currency ownership, the value of the ADR share is still impacted by changes in the U.S. dollar to foreign currency exchange rate.

ADRs can be created/canceled through a custodian depository bank. The bank usually charges a fee for conversion. If the ordinary shares are bought in the foreign market, those shares are sent to the depository custodian where they are converted from ordinary to ADR form. In the case of a sale, the custodian cancels the ADR and delivers the ordinary shares. ADRs that are created in this manner may have low trading liquidity on the U.S. exchanges. Selling a low liquidity ADR on a US exchange may have excessive transaction costs. Thus, such shares may need to be sold in their home foreign market and delivered through cancellation of their ADR.

Equity Securities. An account investing all its assets in common stocks bears the risk that the value of the stocks it holds may decrease in response to the activities of an individual company or in response to general market, business, and economic conditions. If this occurs, the account value may also decrease.

Market Risk. This risk exists in all our accounts and means that the risk of the price of securities in a market, a sector or an industry will fluctuate and that such movements might reduce an investment’s value.

Concentration Risk. Concentrating investments in a single country, region, market, and industry or asset class means that performance will be more susceptible to loss due to adverse occurrences affecting that country, region, market, and industry or asset class.



Non-Diversification Risk. Non-Diversification of investments means a portfolio may invest a large percentage of its assets in securities issued by or representing a small number of issuers. As a result, the portfolio's performance may depend on the performance of a small number of issuers.

Small Companies. Typically, securities of small companies are less liquid than securities of large companies. The stocks of small companies are generally more sensitive to purchase and sale transactions and, therefore, the prices of such securities may be more volatile than those of larger companies.

Socially Responsible Islamic Investing Risks. We will invest in securities only if they meet both our investment and socially responsible Islamic requirements, and as such, your return may be lower than if we made decisions based solely on investment considerations. Moreover, our screens typically exclude the stocks of most financial and utility companies. When these sectors are outperforming, our portfolios may underperform their benchmarks. If we believe that a company has violated our socially responsible Islamic investment philosophy, then we will request that the manager sell the security. This policy could result in the manager selling a security at an inopportune time from a purely financial point of view. Moreover, it can create higher turnover and lead to short term tax consequences.

Tax Considerations. Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Cyber Security Risks and Disaster Recovery.

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Azzad and its service providers' information and technology systems may be vulnerable to damage or interruption from computer viruses or other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. If unauthorized parties gain access to such information and technology systems, they may be able to steal, publish, delete, or modify private and sensitive information. Although Azzad has implemented, and service providers may implement or already have implemented, various measures to manage risks relating to these types of events, such systems could prove to be inadequate and, if compromised, could become inoperable for extended periods of time, cease to function properly, or fail to adequately secure private information. Breaches such as those involving covertly introduced malware, impersonation of unauthorized users and industrial or other espionage may not be identified even with sophisticated prevention and detection systems, potentially resulting in further hard and preventing it from being addressed appropriately. The failure of these



systems and/or disaster recovery plans for any reason could cause interruptions in Azzad's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive information (including material non-public information in connection with investments) and, potentially including personal information relating to clients, if any.

vi. VOTING CLIENT SECURITIES

Unless directed by the client in writing, Azzad votes client securities in the best interests of its clients and then in accordance with its ethical investment philosophy and guidelines. In general, this entails voting client proxies with the objective of increasing the long-term economic value of client assets. Azzad seeks to avoid the occurrence of actual or apparent material conflicts of interest in the proxy voting process by voting in accordance with predetermined voting guidelines. In all cases in which there is deemed to be a material conflict of interest, Azzad will seek to resolve the conflict in the clients' best interests. Azzad also may consider proxies solicited by mutual funds for which Azzad serves as an investment adviser. You may obtain a copy of Azzad's complete proxy voting policies and procedures upon request. You may also obtain information from Azzad about how we voted proxies on behalf of your accounts. Please contact our Chief Compliance Officer at 888-862-9923.

7. CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

We are required to describe the information about you that we communicate to the Program's portfolio manager(s), and how often or under what circumstances we provide updated information. We do not share information about you with any of the Program's unaffiliated portfolio managers. Your relationship is solely with Azzad and not with any of the portfolio management firms that may manage the portfolios in your account. There is no communication, including consultations, between you and any of your account's portfolio managers. All communications regarding your account should be directed to your IAR at Azzad.

8. CLIENT CONTACT WITH PORTFOLIO MANAGERS

We are required to describe any restriction that is placed on the client's ability to contact and consult with a Program's portfolio manager. Clients may not contact and/or consult with the unaffiliated portfolio managers of the Program. All client communications regarding his or her wrap account should be directed to Azzad. Client relationships rests solely with Azzad and not with any of the investment management firms that may manage the portfolios in client Accounts.

9. ADDITIONAL INFORMATION

A. DISCIPLINARY INFORMATION

On September 17, 2024, the SEC entered an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order"). Specifically, the Order reflects the SEC's finding that from the quarter ending December 31,



2019, to the quarter ending September 30, 2023, Azzad had investment discretion over at least \$100 million of reportable 13F securities and was therefore obligated to file quarterly Forms 13F beginning by at least February 2020. However, Azzad failed to file Forms 13F until April 2024. In April 2024, Azzad filed fifty-two Forms 13F, which covered the period from the quarter ending December 31, 2010, to the quarter ending September 30, 2023, inclusive. In connection with the Order, Azzad agreed to: cease and desist from committing or causing any violations of Section 13(f)(1) under the Securities Exchange Act of 1934 and Rule 13F-1 promulgated thereunder, the entry of a censure, and to pay a civil money penalty of \$225,000. In determining to accept Azzad's offer of settlement, the SEC considered certain remedial acts promptly undertaken by Azzad. Azzad consented to the entry of the Order without admitting or denying the factual findings or conclusions of law. Additional details can be found at <https://www.sec.gov/files/litigation/admin/2024/34-101054.pdf>. The Order and the underlying settlement should not have any impact on client accounts or services received from Azzad.

B. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Azzad sponsors and acts as Investment Adviser to the Azzad Funds family of no-load mutual funds (investment companies) consisting of Azzad Ethical Fund (ADJEX) and Azzad Wise Capital Fund (WISEX). We provide administration and investment management services to the Azzad Funds.

For the reasons above, we have an incentive to, and in fact may if we deem it suitable to, hold shares of our affiliated mutual funds in your wrap account so that you will have a complete picture of your assets. In such circumstances, we will not charge our wrap program fee on assets held in the Funds. However, you should understand that we will receive any fees paid by the mutual fund as disclosed in the applicable prospectus for the fund. That fee may be higher or lower than the fee you may be paying on other assets that we manage in your wrap account.

C. SELECTION OF THIRD-PARTY INVESTMENT ADVISERS FOR CLIENTS

Azzad does not select third party investment advisers for its clients. It does select investment managers for the Ethical Wrap Program, but it does not receive any compensation from the investment managers. Information on how Azzad selects the investment managers can be found under Item 6.A, above.

D. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

i. DESCRIPTION

Azzad has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Azzad must acknowledge the terms of the Code of Ethics annually, or as amended.



A complete copy of Azzad's current Code of Ethics is available by sending a written request to Azzad Asset Management, Inc., Attn: Compliance, 3141 Fairview Park Dr. Suite 355, Falls Church, VA 22042, or by contacting Manal Fouz, Chief Compliance Officer, at 888.862.9923.

ii. MATERIAL INTEREST IN SECURITIES

When acting as a portfolio manager to the Ethical Wrap Program, Azzad may recommend inclusion of the Azzad Funds: Azzad Ethical Fund (ADJEX) and Azzad Wise Capital Fund (WISEX). This causes a conflict of interest because Azzad acts as the Investment Adviser to the mutual funds and receives a separate fee for this service. As a result of this conflict, Azzad has created several policies and procedures to mitigate the conflict of interest.

It is Azzad's policy that our Investment Advisers should only make the recommendation to use Azzad Funds when it is consistent with the client's investment objectives. In addition to their fiduciary duty to you, Azzad has adopted a Code of Ethics that binds its IARs. Furthermore, Azzad waives the wrap program fee on assets invested in the Azzad Funds but does receive a management fee on these assets. Finally, you have full discretion to request the removal of Azzad Funds from your account.

iii. INVESTING IN OR RECOMMENDING THE SAME OR RELATED SECURITIES

Subject to satisfying this policy and applicable laws, officers, directors, and employees of Azzad and its affiliates may trade for their own accounts in securities that are recommended to and/or purchased for Azzad's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of Azzad will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our clients. In addition, the Code of Ethics requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Azzad and its clients.

It is our policy that the firm will not affect any principal or agency cross securities transactions for client accounts. We also do not conduct cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory



client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

E. REVIEW OF ACCOUNTS

i. PERIODIC REVIEWS

Azzad's IARs regularly review your account's asset allocation plan, your investment objective(s), your investment guidelines, market conditions and changes (if any) in your financial status or objectives as communicated by you. At a minimum, Azzad's IARs communicate with you once a year or when you request. Azzad's investment team periodically reviews all portfolios in the Program and conducts ongoing supervision of the Program's model portfolio managers. Azzad also monitors wrap fees assessed by the program's custodian through the firm's technology solution under the supervision of the firm's Chief Compliance Officer.

ii. OTHER REVIEWS

Additional reviews are conducted periodically depending on market conditions, economic or political events, or by changes in a client's financial situation, investment objectives and guidelines, market conditions, reaching life milestones and so forth. Portfolios may also be reviewed as needed to update and confirm compliance with any guidance or restrictions communicated by you.

iii. REPORTS

Review of accounts will be done at least quarterly and upon your request. Reviews will be conducted by the Adviser. Additionally, Azzad's compliance officer will review a sampling of accounts periodically to compare trading in the account with a client's objectives and any restrictions.

You and your adviser can access monthly account statements, trade confirmations and performance reports from the custodian's website. The custodian will send e-mail notifications to you and your Adviser when statements and confirmations are posted to your account. If you wish to receive paper statements, you can request these documents from the custodian for an additional fee.

We urge you to carefully review your custodial statements with your performance reports. The information in your performance reports and/or client portal may vary from your custodial statements due to accounting procedures, reporting dates, or valuation methodologies of certain securities. In the event of any discrepancies, you should rely on the statement you receive from the custodian of your assets.



F. CLIENT REFERRAL AND OTHER COMPENSATION

i. OTHER COMPENSATION

Azzad and its IARs do not receive extra compensation or any other economic benefit for providing investment advice or other advisory services to clients.

ii. CLIENT REFERRALS

Azzad employees market services on a direct basis. Azzad does not direct brokerage transactions to any third party in return for client referrals. Azzad does not have referral or solicitation arrangements with third parties.

G. FINANCIAL INFORMATION

We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you and we have never been the subject of a bankruptcy proceeding.