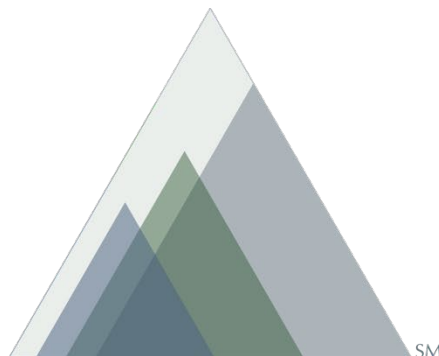


FORM ADV PART 2A

ITEM 1. COVER PAGE



ACRUENCE CAPITAL

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Form ADV Part 2A

APRIL 2024

This document is Form ADV Part 2A, commonly known as a “Brochure”. It provides information about the qualifications and business practices of Acrudence Capital, LLC. If you have any questions about the contents of this Brochure, please contact Rob Emrich III at (512) 590-9417 or at rob@acruence.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. Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about Acrudence Capital, LLC is also available at www.adviserinfo.sec.gov. You can view the Firm’s information on this website by searching for Acrudence Capital, LLC or by entering the Firm’s CRD number: 305482.

ITEM 2. MATERIAL CHANGES

This Form ADV Part 2A Disclosure Brochure replaces our August 2023 Brochure in its entirety. All items have been amended to reflect reorganization of the Brochure. Please carefully review the entire Brochure.

The following is a summary of material changes since the August 2023 Brochure:

- Item 4 has been updated to reflect current assets under management.

As our business is constantly evolving, we review our policies and procedures on a regular basis. In evaluating their continuing effectiveness, we may amend this document along with our policies and procedures from time to time.

Our Brochure may be requested by contacting our Chief Compliance Officer, Rob Emrich III at (512) 590-9417 or at rob@acruence.com. We will provide you with a new Brochure at any time without charge.

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ITEM 4. ADVISORY BUSINESS

GENERAL INFORMATION

Acrucence Capital, LLC ("**Acrucence Capital**", the "**Firm**", "**Us**", "**Our**", or "**We**") is registered with the Securities and Exchange Commission ("**SEC**") as a Registered Investment Adviser ("**RIA**") with our principal place of business located in Dallas, Texas. The Firm was organized as a Delaware limited liability company on November 28, 2018. The owner and managing member of the Firm is Robert E. Emrich III. Please see Form ADV Part 2B Supplement for additional information about Mr. Emrich.

DIRECT ADVISORY SERVICES

We provide investment advisory services in the following ways:

1) Sub-Advisory Services

We provide sub-advisory investment management services by developing and monitoring risk-based investment models (the "**Acrucence Models**"). We provide the Acrucence Models to various third-party investment advisors ("**RIA Clients**") to utilize in the management of the respective RIA Client's underlying retail client portfolios.

The primary investment objective of the Acrucence Models is to achieve high relative risk-adjusted returns while attempting to limit volatility and downside risk through non-correlated portfolio construction and strong risk management. The Firm crafts investment strategies in a variety of areas, including but not limited to:

- long and short positions in various indices and exchange-traded funds ("**ETFs**") designed to mirror the performance of a well-diversified portfolio in a variety of assets;
- options and futures strategies designed to generate income, maximize returns and limit risk, including long volatility exposure using options, futures and ETFs;
- hiring and consulting other investment managers to further diversify portfolios; and
- utilizing data science and machine learning to maximize return and reduce volatility.

These strategies require skill to analyze, manage, trade, and source.

We also provide sub-advisory investment management services to RIA Clients in the management of the RIA Client's underlying retail client portfolios on a discretionary basis. We conduct research, assess prevailing economic and market conditions, weigh the RIA Client's underlying retail clients' objectives, and then make investment decisions as to securities to be bought and sold, as well as the timing of such purchases and sales, within the underlying retail client's portfolio of holdings. We do not maintain a direct relationship with any of the RIA Clients' underlying retail clients.

2) Outsourced Chief Investment Officer ("**Outsourced CIO**") Services

We serve as an Outsourced CIO to RIA Clients. This service is a blend of developing and monitoring the Acrucence Models for an RIA Client and providing investment management services to portfolios of the respective RIA Client on a discretionary basis.

3) Acrucence Active Hedge U.S. Equity ETF ("**XVOL**")

XVOL represents a combination of our sub-advisory services and Outsourced CIO services.

XVOL is an ETF that was created by Acrucence Capital expressly for the purpose of allowing Acrucence Capital to provide U.S. investors with an ETF that implements the hedging strategy for

which XVOL was designed (seeking capital appreciation with reduced volatility [as compared to the S&P 500 Index]). Acrucence Capital serves as sub-adviser to the primary investment adviser of XVOL, Toroso Investments, LLC ("**Toroso**").

XVOL shares are broadly offered. As part of our sub-advisory services, we may recommend shares of XVOL to RIA Clients for which Acrucence Capital provides sub-advisory and Outsourced CIO services. Offering XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts.

4) Advisor Directed Managed Accounts

We provide investment advisory services to manage the investment portfolios of high-net-worth individuals (each a "**Managed Account Client**"). Our investment advisory services are tailored to the individual needs of Managed Account Clients and are based on the Managed Account Client's goals, investment objectives, time horizon, and risk tolerance. In this capacity, we and our Investment Advisor Representatives (each an "**IAR**" and collectively "**IARs**"), act as fiduciaries to our Managed Account Clients, always acting in the best interest of our Managed Account Clients.

An Advisor Directed Managed Account is one in which the account and the selected investments are managed by the IAR. The IAR and the Managed Account Client discuss the Managed Account Client's particular financial circumstances and establish goals, investment objectives, time horizons, and risk tolerance. The IAR reviews and discusses the Managed Account Client's prior investment experience, in an effort to properly complete the Risk Tolerance Questionnaire and develop a personalized Investment Policy Statement, both of which are utilized to manage the Managed Account Client's portfolio.

The IAR conducts research, assesses prevailing economic and market conditions, weighs the Managed Account Client's objectives, and then makes investment decisions as to securities to be bought and sold, as well as the timing of such purchases and sales, within the Managed Account Client portfolio of holdings, on a discretionary basis.

Our IARs utilize a strategy of long and short positions in various indices and ETFs designed to mirror the performance of a well-diversified portfolio in a variety of assets.

Because each type of investment holding or security involves a varying degree of risk, a particular security, and the associated weighting to that security, is only selected when it is determined to be consistent with, and fit into, the overall strategy for achieving the Managed Account Client's stated goals, investment objectives, risk tolerance, time horizon, and liquidity needs.

Our Managed Account Clients may impose reasonable restrictions on investing in certain securities, types of securities, companies, and/or industry sectors. However, Acrucence Capital will refuse to accept or to continue management of the account or program, if we determine that such restrictions imposed by the Managed Account Client cannot be honored. If the Managed Account Client refuses to modify or withdraw such restrictions after we have notified the Managed Account Client that the restrictions cannot be honored and given the Managed Account Client an opportunity to withdraw or modify the restrictions, then an account will not be opened or, in the case of an existing account, the account will be closed. We will no longer be responsible for providing investment advice and implementing investment decisions to manage the account and the Investment Advisory Fee will cease. At that time, the account will become a non-discretionary, commission-based retail brokerage account, with each transaction being charged a commission and each transaction being initiated by the Managed Account Client.

CUSTODIAN; BROKER/DEALERS

Sub-Advisory Services

When Acrucence Capital is engaged to provide sub-advisory services, the Firm may: 1) directly affect investment transactions through the respective RIA Client's existing custodian; or 2) indirectly affect investment transactions by providing transaction recommendations to the RIA Client for the RIA Client to choose whether to affect the recommended transactions through the respective RIA Client's existing custodian.

Outsourced Chief Investment Officer Services

When Acrucence Capital is engaged to provide Outsourced CIO services, the Firm provides discretionary investment advisory services, permitting the RIA Client to direct brokerage. We do not affect transactions for the RIA Client's underlying clients. The Firm provides investment transaction recommendations to the RIA Client for the RIA Client to choose whether to affect the recommended transactions through the respective RIA Client's existing custodian.

XVOL

For Acrucence Capital's services to XVOL, the Firm does not affect transactions directly and therefore does not use a custodian. Rather, the Firm provides investment transaction recommendations to the primary investment adviser, Toroso.

Advisor Directed Managed Accounts

The Firm uses Interactive Brokers LLC ("***Managed Account Custodian***") as custodian and tax reporter for Managed Account Clients. There is no relationship between the Firm and the Managed Account Custodian, other than a contractual relationship for the Managed Account Custodian's services. The Firm will use one or more broker/dealers including, but not limited to, the Managed Account Custodian to route and execute trades of securities.

CLIENT ASSETS UNDER MANAGEMENT

As of December 31, 2023, we had approximately \$150,970,068.00 of Client assets under management ("***AUM***").

ITEM 5. FEES AND COMPENSATION

OVERVIEW

Fee and expense arrangements are described in detail in the investment advisory agreements, as well as other agreements we negotiate with Clients¹ (collectively, the "***Governing Documents***"). Terms reflect the particular needs and characteristics of the services we provide to each Client, and as a result, are negotiable.

¹ "***Client***" shall collectively mean any RIA Client to which Acrucence Capital provides sub-advisory services, any RIA Client to which Acrucence Capital provides Outsourced CIO services, and XVOL.

1) Sub-Advisory Services

In connection with developing and monitoring the Acrucence Models for RIA Clients, Acrucence Capital charges RIA Clients a management fee, generally equal to a percentage of the assets under management. Fees depend on the services being provided and are negotiated separately with each Client.

Potential Conflicts of Interest

As sub-adviser to RIA Clients, circumstances may be presented that raise a conflict of interest as our officers, directors, and representatives may be incentivized to recommend investment products that yield additional economic benefits for the individual or the Firm. This conflict is mitigated by our adherence to the investment strategy outlined in the investment advisory agreement with the respective RIA Client. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of transactions made on behalf of RIA Clients.

2) Outsourced Chief Investment Officer Services

For our Outsourced Chief Investment Officer services, we receive an annual fee typically payable in twelve monthly installments.

Potential Conflicts of Interest

As Outsourced CIO to RIA Clients, circumstances may be presented that raise a conflict of interest as our officers, directors, and representatives may be incentivized to recommend investment products that yield additional economic benefits for the individual or the Firm. This conflict is mitigated by our adherence to the investment strategy outlined in the investment advisory agreement with the respective RIA Client. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of transactions made on behalf of RIA Clients.

3) Sub-Advisory Services Provided to Acrucence Active Hedge U.S. Equity ETF (“XVOL”)

For our sub-advisory investment management services to the primary investment manager of XVOL, we receive an annual fee of 0.02% of the daily average net assets of the ETF (the “***Sub-Adviser Fee***”), payable on a monthly basis.

Other Compensation

In addition to the Sub-Adviser Fee, Acrucence Capital may receive additional compensation based upon a percentage of all assets invested in XVOL. Under a separate Exchange-Traded Fund Platform Support Agreement (“***Support Agreement***”) between the primary investment adviser, Toroso, the sub-adviser, Acrucence Capital, and the ETF administrator, Tidal ETF Services, LLC (“***Tidal***”), Acrucence Capital receives a percentage of XVOL’s profits after the payment of all of XVOL’s operating expenses (the “***Support Payment***”), including the expenses relating to the services provided by Toroso and Tidal.

a. XVOL and Sub-Advisory Services

The combination of the sub-advisory services that we provide to XVOL and the sub-advisory services that we provide to RIA Clients present a unique potential for a conflict of interest.

Potential Conflicts of Interest

XVOL shares are broadly offered. As part of our sub-advisory services, Acrucence Capital will recommend the purchase of shares of XVOL to RIA Clients. Recommending XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts for which XVOL is a suitable investment. Offering XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts for which XVOL is a suitable investment. For the RIA Client that maintains discretionary authority over its underlying retail client accounts, the RIA Client may exercise its discretionary authority and purchase XVOL for its underlying retail client accounts without prior specific client authorization.

As the sub-adviser for RIA Clients, Acrucence Capital is responsible for every recommendation of XVOL shares to RIA Clients for whom we provide sub-advisory services and/or the respective RIA Client's underlying retail clients. Acrucence Capital's receipt of the Sub-Adviser Fee and the Support Payment (collectively the "**ETF Compensation**") creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL by RIA Clients for whom we provide sub-advisory services. Specifically, Acrucence Capital has a financial incentive to recommend the purchase of XVOL shares to RIA Clients for whom we provide sub-advisory services because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation. We have ameliorated this conflict of interest with our current RIA Client for whom we provide sub-advisory services by negotiating and entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its sub-adviser. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend or purchase XVOL in the RIA Client's accounts (although this arrangement may not fully offset the ETF Compensation since it is not directly tied to the amount of compensation that Acrucence Capital receives as a result of XVOL purchases).

This potential conflict of interest is disclosed to RIA Clients in this Form ADV, as well as a direct communication to the RIA Client's underlying retail clients who may qualify as potential XVOL purchasers. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of RIA Clients and/or any RIA Client's underlying retail clients.

b. XVOL and Outsourced Chief Investment Officer Services

The combination of the sub-advisory services that we provide to XVOL and the Outsourced CIO services that we provide to RIA Clients present a unique potential for a conflict of interest.

Potential Conflicts of Interest

XVOL shares are broadly offered. As part of our Outsourced CIO services, Acrucence Capital will recommend shares of XVOL to RIA Clients. Recommending XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts for which XVOL is a suitable investment. As the Outsourced CIO, Acrucence Capital may use its discretionary authority to purchase XVOL for its Outsourced CIO Clients' underlying retail client accounts without prior specific client authorization.

As the Outsourced CIO for RIA Clients, Acrucence Capital is responsible for every recommendation or purchase of XVOL shares by RIA Clients and/or the respective RIA Client's underlying retail clients. Acrucence Capital's receipt of the ETF Compensation (as listed above) creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL by RIA Clients. Specifically, Acrucence Capital has a financial incentive to recommend the purchase of XVOL shares to RIA Clients because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation.

To ameliorate this conflict, Acrucence Capital and RIA Clients for whom we provide Outsourced CIO services have entered into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its Chief Investment Officer Services. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend the purchase of XVOL shares to RIA Clients and/or the respective RIA Client's underlying retail clients. This arrangement may also not fully obviate the indirect benefit that Acrucence Capital receives from being able to purchase XVOL in its Outsourced CIO Clients' underlying retail client accounts.

This potential conflict of interest is disclosed to RIA Clients in this Form ADV as well as the Form ADV of our Outsourced CIO Clients. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of RIA Clients and/or any RIA Client's underlying retail clients.

4) Advisor Directed Managed Accounts

For our advisor directed investment management services, Managed Account Clients will pay a fee calculated as a percentage of assets under management and charged quarterly by debiting the fees from Managed Account Client accounts. Under no circumstances will we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

Our fees are negotiable. The actual fee we assess each Managed Account Client is negotiable and reviewed on a client-by-client basis. Our investment advisory fee is based on a number of factors including, but not limited to, the complexity of the Managed Account Client's situation, amount of assets managed, anticipated future additional assets, related accounts, portfolio style, account holdings, manager selection, time involved, and the Managed Account Client's particular circumstances. The Managed Account Client's specific annual fee schedule is delivered in writing in the investment advisory agreement. That schedule is complete with a definition of terms and calculations and specifies what portfolio costs are and are not included in the fee.

ALLOCATION OF EXPENSES

Acrucence Capital bears its own direct administrative and overhead expenses, including all expenses for office costs and expenses, business development costs, non-client related outside legal expenses, and non-client related travel and entertainment.

ITEM 6. PERFORMANCE-BASED FEES

The Firm does not charge "performance-based fees" – that is, fees based on a share of capital gains on or capital appreciation of the assets under management.

Sub-managers may, however, charge performance-based fees for management of portions of Client portfolios, of which Acrucence Capital may share in the performance-based fees (in exchange for providing software licenses).

ITEM 7. TYPES OF CLIENTS

The Firm provides investment advisory services to third-party investment advisers, exchange-traded funds, and high net worth individuals.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

We will seek to achieve our Clients' investment objectives through deep quantitative and fundamental research of ETFs and ETF derivatives that are intended to hedge our Clients' portfolios and protect them against downside risk.

The Firm uses a combination of the following types of analysis in evaluating investments for Client accounts:

- ***"Technical and Quantitative Analysis"*** reviews past performance of securities, as well as data science and other statistical measures in order to assess the likelihood of a future outcome. Our technical analysis includes, but is not limited to, charting and statistical analysis of the S&P 500 Index® to identify patterns, levels of support and resistance, and correlations to other indexes such as the CBOE Volatility Index®. We also analyze historical index data and performance to develop risk management models for a variety of market conditions. In our technical analysis of options, we examine measurements of volatility, trading volume, price spreads, and other parameters concerning securities and asset trading.
- ***"Fundamental Analysis"*** reviews underlying components that affect economic and market conditions. Our fundamental analysis includes, but is not limited to, studying market research, leading economic indicators, central bank policies, and geopolitical issues. In particular, we evaluate reports on the U.S. labor market, productivity, consumer confidence, and gross domestic product ("**GDP**") as we look for investment opportunities that will suit economic conditions. We monitor the activity of the Federal Reserve, including Beige Book reports and Federal Open Market Committee statements and minutes, and we study the movement of the U.S. Dollar in comparison to other currencies. We track global markets, and geopolitical issues in order to assess potential effects on U.S. markets and to manage risk and identify investment opportunities for our Clients.

The Firm uses the following sources of information in its analysis:

- Financial news media such as Bloomberg, The Wall Street Journal and Morningstar®;
- Research materials prepared by others, for example, reports, white papers, case studies, financial newsletters and market commentaries prepared by financial advisors and institutions;
- Published historical index return values, for example, historical data for the S&P 500 Index® and CBOE Volatility Index® from sources such as CBOE®, S&P Dow Jones Indices, and Morningstar®; and

- Government reports on monetary policy and economic data, including but not limited to jobless, employment, and Consumer Price Index ("**CPI**") reports by the US Department of Labor, gross domestic product ("**GDP**") reports by the US Department of Commerce, Beige Book reports by the Federal Reserve Districts, and Federal Open Market Committee statements and minutes by the Federal Reserve.

INVESTMENT STRATEGIES

Our approach to investing marries its founder's deep and complementary research background with a proactive approach to risk and portfolio management. We will use our extensive pattern recognition toolkit to identify the appropriate research approach for a given idea and will seek to develop a thesis that results in a favorable skew of profit aspiration to risk and a defined path to realization. We will often use quantitative methods as guidance for position sizing, adjusted for liquidity and other qualitative factors, to determine appropriate sizing.

Our risk management program will consist of portfolio construction and research process considerations as well as quantitative guardrails. Portfolio construction will incorporate risk-based sizing, based on quantitative methods and adjusted for trading-related metrics. To ensure additional robust risk management, we will also employ quantitative risk reduction guardrails with triggers based on position size and degree of drawdown.

The investment strategies the Firm uses to implement investment advice include, but may not be limited to:

- Long-term ETF purchases (securities held at least a year);
- Short-term ETF purchases (securities sold within a year);
- Margin transactions;
- Volatility-targeted risk strategies;
- Long and short positions in ETF options and ETF futures options; and
- Option writing, including covered options, uncovered options or spreading strategies.

Our investment strategies may include any of the above based on the Client's objectives and guidelines, which may be changed at any time. The Client may place reasonable restrictions on the strategies to be employed and the types of investments to be held in their accounts.

It is important for the Client to remember to update us with any changes in investment objectives and guidelines. Although we manage the Client's assets in a manner consistent with the Client's risk tolerance, there can be no guarantee that our efforts will be successful. Clients should be prepared to bear the risk of loss.

RISK OF LOSS

The Firm believes that diversification is a key to dampening risk (volatility) within a portfolio. Portfolios are created based on the individual needs and circumstances of the Client and will hold a broad array of individual ETFs and/or futures or option positions, at the discretion of the Client, to satisfy those needs.

The information included in this brochure does not include every potential risk associated with each investment strategy or security. Clients are urged to ask questions regarding risk factors applicable to a particular investment strategy or security, read all product-specific risk disclosures, and determine whether a particular strategy or type of security is suitable for his/her/its own account in light of the circumstances, investment objectives, and financial circumstances of the particular Client. Investing in securities involves risk of loss that all clients should be prepared to bear.

Past performance is not indicative of future results. Therefore, a Client should never assume future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, bonds, ETFs, futures, options, etc.) involves risk of loss. Further, depending on the diverse types of investments, there may be varying degrees of risk. Clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our Firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. Further, we do not guarantee the future performance of the portfolios we manage or any specific level of performance, the success of any investment decision or strategy that we may use, or the success of our overall management of Clients' portfolios. Clients should understand that investment decisions made by Acrucence Capital are subject to various market, economic, political, and business risks, and that those investment decisions will not always be profitable.

There are a number of general risks related to our investment strategies, including, but not necessarily limited to, the following:

Overall Investment Risk: All securities investments risk the loss of capital. The nature of the securities to be purchased and traded and the investment techniques and strategies to be employed by the Firm may increase this risk. While the Firm will devote its best efforts to the management of portfolios, there can be no assurance that the individual accounts will not incur losses. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments, may cause sharp market fluctuations that could adversely affect performance.

Transactions in Securities: There is no assurance that the Firm will correctly evaluate the nature and magnitude of the various factors that could affect the invested securities. The individual account holders may lose their entire investment or may be required to accept cash or securities with a value less than their original investment. Under such circumstances, the returns generated from investments may not be adequate compensation for the risks assumed.

Market Risk: The profitability of a significant portion of our investment program depends, to a great extent, upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that we will be able to accurately predict these price movements. With respect to our investment strategy, there is always some, and occasionally a significant, degree of market risk.

Reliance on Key Persons: Acrucence Capital is substantially dependent on the services of our Principal, Robert E. Emrich III. In the event of the death, disability, departure, or insolvency of Mr. Emrich, or the complete transfer of Mr. Emrich's interest in Acrucence Capital, our business may be adversely affected. The Principal will devote such time and effort as he deems necessary for the management and administration of our business. However, the Principal may engage in various other business activities in addition to Acrucence Capital's management, and consequently may not devote all of his time to Acrucence Capital's business.

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

Company Risk: When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

Derivatives: Derivative instruments, or "derivatives," include futures, options, swaps, structured securities, and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies, or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment but may also expose investors to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts, and to counterparty risk. The counterparty risk lies with each party with whom we contract for the purpose of making derivative investments (the "**Counterparty**"). In the event of the Counterparty's default, we will only rank as an unsecured creditor and risks the loss of all or a portion of the amounts we are contractually entitled to receive.

Derivative Transactions: Generally, the Firm may engage in derivative transactions such as swaps, futures, and forwards for hedging purposes. The risks associated with derivative transactions are potentially greater than those associated with the direct purchase or sale of the underlying securities because of the additional complexity and potential for leverage. In addition, derivatives may create credit risk (the risk that a counterparty on a derivative transaction will not fulfill its contractual obligations), as well as legal, operations, reputation and other risks beyond those associated with the direct purchase or sale of the underlying securities to which their values are related.

Futures Risk: Security futures involve a high degree of risk and are not suitable for all investors. An investor could lose a substantial amount of money in a very short period of time. The amount of loss is potentially unlimited and can exceed the amount originally deposit with a broker. This is because trading security futures is highly leveraged, with a relatively small amount of money controlling assets having a much greater value. A security futures contract is a legally binding agreement between two parties to buy or sell a specific quantity of shares of an individual stock or a narrow-based security index at a specified price, on a specified date in the future (known as the settlement or expiration date). If a futures contract is bought, the purchaser is entering into a contract to buy the underlying security and is said to be "long" the contract. Conversely, if a futures contract is sold, the seller is entering into a contract to sell the underlying security and is considered "short" the contract. Other futures risks include:

- **Offsetting Transactions.** Prior to expiration, an investor can realize current gains or losses by executing an offsetting sale or purchase in the same contract (i.e., an equal and opposite transaction to the one that opened the position).
- **Contract Expiration and Delivery.** Any futures contract that hasn't been liquidated by an offsetting transaction before the contract's expiration date will be settled at that day's settlement price. The terms of the contract specify whether a contract will be settled by physical delivery—receiving or giving up the actual shares of stock—or by cash settlement. Where physical delivery is required, a holder of a short position must deliver the underlying security. Conversely, a holder of a long position must take delivery of the underlying shares. Where cash settlement is required, the underlying security is not delivered. Rather, any security futures contracts that are open are settled through a final cash payment based on the settlement price. Once this payment is made, neither party has any further obligations on the contract.
- **Margin & Leverage.** When a brokerage firm lends the investor part of the funds needed to purchase a security, such as common stock, the term "margin" refers to the amount of cash, or down payment, the investor is required to deposit. By contrast, a security futures contract is an obligation - not an asset - and has no value as collateral for a loan. When an investor enters into a security futures contract, the investor is required to make a payment referred to as a "margin payment" or "performance bond" to cover potential losses. For a relatively small amount of money (the margin requirement), a futures contract worth several times as much can be bought or sold. The smaller the margin requirement in relation to the underlying value of the futures contract, the greater the leverage. Because of this leverage, small changes in price can result in large gains and losses in a short period of time.
- **Gains & Losses.** Unlike stocks, gains and losses in security futures accounts are posted to the investor's account every day. Each day's gains are determined by the settlement price set by the exchange. If due to losses the account falls below maintenance margin requirements, the investor will be required to place additional funds in the account to cover those losses.
- **Because of the leverage involved and the nature of futures transactions, the effects of losses may be felt immediately.** Unlike holdings in traditional securities, gains and losses in security futures are credited or debited to the account on a daily basis at a minimum. Because of daily market moves, the broker may require the investor to have or make additional funds available. If the account is under the minimum margin requirements set by the exchange or the firm, the investor's position may be liquidated at a loss, and the investor will be liable for any deficit in the account.
- **Under some market conditions, it may be difficult or impossible to hedge or liquidate a position.** If the investor cannot hedge or liquidate a position, any existing losses may continue to mount. Even if the investor can hedge or liquidate a position, the investor may be forced to do so at a price that involves a large loss. This can occur, for example:
 - If trading is halted due to unusual trading activity in either the security futures contracts or the underlying security;
 - If trading is halted due to recent news events involving the issuer of the underlying security;
 - If computer systems failures occur on an exchange or at the firm carrying your position; or
 - If the market is illiquid and therefore doesn't have enough trading interest to allow the investor to get a good price.



- **Under some market conditions, the prices of security futures may not maintain their customary or anticipated relationships to the prices of the underlying security or index.** This can occur, for example, when the market for the security futures contract is illiquid and lacks trading interest, when the primary market for the underlying security is closed or when the reporting of transactions in the underlying security has been delayed. For index products, this could also occur when trading is delayed or halted in some or all of the securities that make up the index.
- **Losses due to computer systems failures.** As with any financial transaction, losses may be experienced if orders cannot be executed normally due to systems failures on a regulated exchange or at the firm carrying the position. Losses may be greater if the brokerage firm does not have adequate back-up systems or procedures.
- **Placing contingent orders, if permitted, such as "stop-loss" or "stop-limit" orders, will not necessarily limit losses to the intended amount.** Market conditions may make it impossible to execute the order or to get the stop price.
- **Day trading strategies involving security futures pose special risks.** As with any financial product, seeking to profit from intra-day price movements poses a number of risks, including increased trading costs, greater exposure to leverage and heightened competition with professional traders.

For Further information see: *Security Futures Disclosure Statement* at:

[https://www.finra.org/sites/default/files/Security Futures Risk Disclosure Statement.pdf](https://www.finra.org/sites/default/files/Security_Futures_Risk_Disclosure_Statement.pdf).

Options Risk: Options on securities, indices and futures may be subject to greater fluctuations in value than an investment in the underlying securities, indices or futures. Purchasing and writing put and call options on positions held (covered options) are highly specialized activities and entail greater than ordinary investment risks. Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, future or other instrument at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price. The Firm expects generally to trade options that have cash settlement provisions. When an option position is opened, the price of the option and transaction charges to the broker affecting the transaction must be paid immediately. If a security is acquired by exercising an option as opposed to purchasing such security directly, the total cost of acquiring the security may be more than the amount of the brokerage costs which would be payable if the security were to be purchased directly. If a put or call option purchased were permitted to expire without being sold or exercised, the premium paid for the option will not be offset by any potential gain on the exercise of the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying security caused by rising interest rates or other factors. If this occurred, the option could be exercised, and the underlying security would then be sold to the account holder at a higher price than its current market value. The risk involved in writing ("selling") a call option is that there could be an increase in the market value of the underlying security caused by declining interest rates or other factors. If this occurred, the option could be exercised, and the underlying security would then be sold at a lower price than its current market value. Purchasing and writing put and call options and, in particular, writing "uncovered" options are highly specialized activities and entail greater than ordinary investment risks. Uncovered writing of put and call options reflect unlimited liability as the potential for loss can exceed the premiums collected. Because options are inherently leveraged, modest price moves in the underlying security are magnified as a percentage impact on the option price. Significant loss potential exists. For more information, see *Characteristics and Risks of Standardized Options* at: <https://www.theocc.com/components/docs/riskstoc.pdf>.

Hedging Transactions: The Firm plans to hedge each short option position with a long option position that is further out of the money at the time of the transaction. The Firm is not required to attempt to hedge other portfolio positions and, for various reasons, may determine not to do so. Furthermore, the Firm may not anticipate a particular risk so as to hedge against it. The Firm may utilize financial instruments, both for investment purposes and for risk management purposes in order to seek to:

- protect against possible changes in the market value of investment portfolios resulting from fluctuations in the securities markets and changes in interest rates;
- protect unrealized gains in the value of investment portfolios;
- facilitate the sale of any such investments;
- enhance or preserve returns, spreads or gains on any investment in the portfolios;
- hedge the interest rate or currency exchange rate on any of the portfolio liabilities or assets;
- protect against any increase in the price of any securities the Firm anticipates purchasing at a later day; or
- for any other reason that the Firm deems appropriate.

The success of any hedging strategy that the Firm may employ will be subject to the Firm's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Firm's hedging strategy will also be subject to the Firm's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Firm may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance than if it had not engaged in any such hedging transactions. For a variety of reasons, the Firm may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the Firm from achieving its intended hedge or expose the portfolios to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of portfolio holdings. Under certain market conditions, it may be difficult or impossible to liquidate a position. Generally, an offsetting transaction must be entered in order to liquidate a position in an option contract. If a position in an option contract cannot be liquidated, gain in the value of the position, or prevention of further losses in a position, may not be realized. This inability to liquidate could occur, for example, if trading is halted due to unusual trading activity in either the option contract or the underlying index; if systems failures occur on an exchange or at the Firm carrying the position; or if the position is on an illiquid market. Even if a position can be liquidated, it may be at a price that involves a large loss. Under certain market conditions, it may also be difficult to manage risk from open option positions by entering into an equivalent but opposite position in another contract month, on another market. This inability to take positions to limit risk could occur, for example, if trading is halted across markets due to unusual trading activity in the contract.

Under certain market conditions, the prices of option contracts may not maintain their customary or anticipated relationships to the prices of the underlying security, index or future. These pricing disparities could occur, for example, when the market for the option contract is illiquid or when trading is delayed or halted in some or all of the securities that make up the index. As with any financial transaction, losses may be experienced if orders for option contracts cannot be executed normally due to systems failures on a regulated exchange or at the brokerage firm carrying the position. Losses may be greater if the brokerage firm carrying the position does not have adequate back-up systems or procedures. All option contracts involve risk, and there is no trading strategy that can eliminate risk. Placing contingent orders, such as

“stop-loss” or “stop-limit” orders, will not necessarily limit losses to the intended amount. Market conditions may make it impossible to execute the order or to get the stop price.

ETF and Mutual Fund Risk: When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF’s or mutual fund’s operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs. ETFs may also trade for less than net asset value, especially during times of crisis or severe market stress.

Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if there is a high interest in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Financial Risk: The possibility that shareholders will lose money when they invest in a company that has debt if the company’s cash flow proves inadequate to meet its financial obligations.

Actuarial Risk: Actuarial tables reflect the probabilistic outcome in the future, based on analysis of what has occurred over a large sample size in the past. Actuarial tables can be used to set the price (or premiums) for certain investments.

Underwriting Risk: Certain investments rely on the subjective and objective review of factors that comprise the risk associated with a specific investment decision. The underwriting analysis contributes to the purchase price or interest rate one is willing to offer when considering the investment.

Trading Limitations: For all securities listed on public exchanges, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could subject portfolios managed by the Firm to a loss.

Portfolio Turnover: The Firm may engage in selling index option vertical spread positions, which will have an average holding period of about 7-30 days between the date the positions are opened and expiration of the options. Accordingly, a portfolio’s annual portfolio turnover rate may be 100% or more per month. The Firm has not placed any limit on the rate of portfolio turnover and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Firm, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate.

Index-Based Trading: Trading in index-based unit investment trusts and ETFs generally involves risks similar to other securities trading. Additionally, these instruments may not move in tandem with the indices upon which they are based.

Failure of Brokers and Other Depositories: There is the possibility that the institutions, including brokerage firms and banks, with which the Firm will do business, or with whom securities may be entrusted for custodial purposes, will encounter financial difficulties that may impair the operational capabilities, or the capital position of the portfolios managed by the Firm. The Firm may maintain a substantial portion of assets in clearing accounts pursuant to clearing agreements with foreign clearing firms (including banks and brokers) and foreign affiliates of United States broker-dealers. Foreign clearing firms are generally not subject to United States laws and regulations and foreign markets may be subject to less regulation and supervision than in the United States. Transaction costs of investing in non-U.S. securities in foreign markets may be higher than in the United States and clearance procedures may be less efficient. Clients are reminded that investing in any security entails risk of loss, which they should be willing to bear.

ITEM 9. DISCIPLINARY INFORMATION

There have been no legal, regulatory, or disciplinary actions involving the Firm or its investment advisers. Our backgrounds are on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching for Acrucence Capital, LLC or by entering the Firm's CRD number: 305482.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

ACRUENCE ACTIVE HEDGE U.S. EQUITY ETF ("XVOL")

From time to time, we may recommend that a Client invest in an exchange-traded fund ("**ETF**") known as **ACRUENCE ACTIVE HEDGE U.S. EQUITY ETF ("XVOL")**. Investments in XVOL are effectuated by purchasing shares offered by the ETF. For Clients, whose accounts we manage on a discretionary basis, we will recommend purchasing shares of XVOL in the Client's underlying retail accounts for the retail accounts for which the Client determines XVOL is suitable. Important information regarding XVOL is contained in its [Prospectus](#) and its most recent [Statement of Additional Information \("SAI"\)](#).

1) Acrucence's Relationship with XVOL

XVOL was created by Acrucence Capital and Mr. Emrich expressly for the purpose of allowing Acrucence Capital to provide U.S. investors with an ETF that implements the hedging strategy for which which XVOL is designed. XVOL is offered broadly to investors and is not limited to Acrucence Capital's third-party investment advisor clients.

XVOL has an independent Board of Trustees and a separate primary investment adviser – Toroso Investments, LLC ("**Toroso**") -- that provides services to the ETF. Additionally, Tidal ETF Services, LLC ("**Tidal**") provides certain consulting and administrative support services to the ETF. Acrucence Capital has been retained by Toroso to serve as a sub-adviser to XVOL, and in that capacity Acrucence Capital will make all investment decisions for XVOL, subject to oversight by the Board of Trustees and Toroso. In its role as sub-adviser, Acrucence Capital will receive 0.02% of all assets invested in the ETF (the "**Sub-Adviser Fee**").

In addition, under a separate Exchange-Traded Fund Platform Support Agreement ("**Support Agreement**") between Toroso, Acrucence Capital, and Tidal; Acrucence Capital will receive all profits of XVOL, after the payment of all operating expenses of the ETF. This provides an opportunity for Acrucence Capital to receive additional compensation based upon a percentage of all assets invested in XVOL as a "**Support Payment**" after the payment of ongoing operating expenses, including the expenses relating to the services provided by Toroso and Tidal.

2) Conflicts of Interest for Sub-Advisory RIA Clients

As part of our sub-advisory services, Acrucence Capital may recommend shares of XVOL to RIA Clients. Offering XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts. For the RIA Client that maintains discretionary authority over its underlying retail client accounts, the RIA Client may exercise its discretionary authority and purchase XVOL for its underlying retail client accounts without prior specific client authorization.

As the sub-adviser for RIA Clients, Acrucence Capital is responsible for every recommendation of XVOL shares to RIA Clients for whom we provide sub-advisory services and/or the respective RIA Client's underlying retail clients. Acrucence Capital's receipt of the Sub-Adviser Fee and the Support Payment (collectively the "**ETF Compensation**") creates a conflict of interest with respect to all

purchases of, and recommendations to purchase, shares of XVOL by RIA Clients for whom we provide sub-advisory services. Specifically, Acrucence Capital has a financial incentive to recommend the purchase of XVOL shares to RIA Clients for whom we provide sub-advisory services because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation. We have ameliorated this conflict of interest with our current RIA Client for whom we provide sub-advisory services by negotiating and entering into an agreement whereby Acrucence Capital will offset, against the fees it receives for serving as sub-adviser, any revenue received as a result of the purchase of any XVOL shares by the RIA Client or the RIA Client's underlying retail clients. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend or purchase XVOL in the RIA Client's accounts (although this arrangement may not fully offset the ETF Compensation since it is not directly tied to the amount of compensation that Acrucence Capital receives as a result of XVOL purchases). For future RIA Clients for whom we provide sub-advisory services, we will ameliorate this conflict of interest by entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its sub-adviser.

This potential conflict of interest is disclosed to RIA Clients in this Form ADV, as well as a direct communication to the RIA Client's underlying retail clients who may qualify as potential XVOL purchasers. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of RIA Clients and/or any RIA Client's underlying retail clients.

We recommend that you read the [Prospectus](#), the [SAI](#), and these Supplemental Disclosures carefully. If you have any questions, please contact Acrucence Capital.

3) Conflicts of Interest for Outsourced Chief Investment Officer ("CIO") Clients

As part of our Outsourced CIO services, Acrucence Capital may recommend shares of XVOL to RIA Clients. Offering XVOL shares to RIA Clients allows the respective RIA Clients to purchase, or recommend purchases of, XVOL shares for the respective RIA Client's underlying retail client accounts. As the Outsourced CIO, Acrucence Capital may use its discretionary authority to purchase XVOL for its Outsourced CIO Clients' underlying retail client accounts without prior specific client authorization.

As the Outsourced CIO for RIA Clients, Acrucence Capital is responsible for every recommendation or purchase of XVOL shares by RIA Clients and/or the respective RIA Client's underlying retail clients. Acrucence Capital's receipt of the ETF Compensation (as listed above) creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL by RIA Clients. Specifically, Acrucence Capital has a financial incentive to recommend the purchase of XVOL shares to RIA Clients because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation.

To ameliorate this conflict, Acrucence Capital and RIA Clients for whom we provide Outsourced CIO services have entered into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its Outsourced CIO. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend the purchase of XVOL shares to RIA Clients and/or the respective RIA Client's underlying retail clients.

This potential conflict of interest is disclosed to RIA Clients in this Form ADV as well as the Form ADV of our Outsourced CIO Clients. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of RIA Clients and/or any RIA Client's underlying retail clients.

We recommend that you read the [Prospectus](#), the [SAI](#), and these Supplemental Disclosures carefully. If you have any questions, please contact Acrucence Capital.

4) Conflicts of Interest for Managed Account Clients

As part of our investment advisory services, Acrucence Capital may use its discretionary authority to purchase XVOL for its Managed Account Clients' accounts without prior specific client authorization.

As the investment manager for Managed Account Clients, Acrucence Capital is responsible for every purchase of XVOL shares in the Managed Account Clients' accounts. Acrucence Capital's receipt of the ETF Compensation (as listed above) creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL by Managed Account Clients. Specifically, Acrucence Capital has a financial incentive to purchase XVOL shares in Managed Account Clients' accounts because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation.

This potential conflict of interest is disclosed to Managed Account Clients in this Form ADV. Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of Managed Account Clients.

We recommend that you read the [Prospectus](#), the [SAI](#), and these Supplemental Disclosures carefully. If you have any questions, please contact Acrucence Capital.

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

Code of Ethics: The Firm's Code of Ethics sets forth standards of conduct expected of Firm personnel (collectively referred to as "employees") and focuses on three specific areas where employee conduct has the potential to adversely affect the Client:

- Misuse of nonpublic information
- Personal securities trading
- Outside business activities

The ethical culture of the Firm is of critical importance must be supported at the highest levels of the Firm. Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any Client or prospective Client may request a copy of the Firm's Code of Ethics, which will be provided at no cost. The following basic principles guide all aspects of the Firm's business and represent the minimum requirements to which the Firm expects employees to adhere:

- Clients' interests come before employees' personal interests and before the Firm's interests.
- We must fully disclose all material facts about conflicts of interest of which we are aware, between us and our Clients, as well as between our employees and Clients.
- Our personnel will operate in a manner designed to reasonably mitigate any potential conflicts and the impact of any potential conflicts on our Clients.

- Employees must operate on behalf of us and our Clients, in a manner that is consistent with our disclosures, offering document(s), and investment advisory agreement(s).
- The Firm and its employees must not take inappropriate advantage of their positions of trust with or responsibility to Clients.
- The Firm and its employees must always comply with all applicable securities laws.

Honesty, integrity and professionalism are hallmarks of the Firm. The Firm maintains the highest standards of ethics and conduct in all business and Client relationships.

Misuse of Nonpublic Information: The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information, nor depend upon it, in placing personal or Clients' securities trades.

Personal Securities Trading: All employee participation in private placements or initial public offerings must be preapproved by the Chief Compliance Officer. Employees are required to submit reports of personal securities trades, for themselves and others in their household, on a quarterly basis, as well as an annual report of their securities holdings. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

Recommendation of Securities in which the Firm or Related Persons have a Financial Interest. As further described in *Item 4: Advisory Business*, Acrucence Capital may recommend the following securities in which the Firm has a personal interest:

- **XVOL.** Acrucence Capital serves as the sub-adviser and Outsourced CIO for RIA Clients. Acrucence Capital is responsible for every recommendation or purchase of XVOL shares by RIA Clients and/or the respective RIA Client's underlying retail clients. Acrucence Capital's receipt of the ETF Compensation creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL by RIA Clients. Specifically, Acrucence Capital has a financial incentive to recommend the purchase of XVOL shares to RIA Clients because Acrucence Capital may receive a direct or indirect financial benefit from the payment of the ETF Compensation.

For Acrucence's sub-advisory clients, we have ameliorated this conflict of interest with our current RIA Client for whom we provide sub-advisory services by negotiating and entering into an agreement whereby Acrucence Capital will offset, against the fees it receives for serving as sub-adviser, any revenue received as a result of the purchase of any XVOL shares by the RIA Client or the RIA Client's underlying retail clients. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend or purchase XVOL in the RIA Client's accounts (although this arrangement may not fully offset the ETF Compensation since it is not directly tied to the amount of compensation that Acrucence Capital receives as a result of XVOL purchases). For future RIA Clients for whom we provide sub-advisory services, we will ameliorate this conflict of interest by entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its sub-adviser.

For Acrucence's Outsourced CIO clients, we have ameliorated this conflict of interest by negotiating and entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its Outside Chief Investment Officer. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend the purchase of XVOL shares to RIA Clients and/or the respective RIA Client's underlying retail clients. This arrangement may also not fully obviate the indirect benefit that Acrucence Capital receives from being able to purchase XVOL in its Outsourced CIO Clients' underlying retail client accounts.



Further, neither Acrucence Capital, nor any Acrucence Capital employee, receives any additional benefit or compensation as a result of any securities transactions (of XVOL or otherwise) made on behalf of RIA Clients and/or any RIA Client's underlying retail clients.

We recommend that clients read the XVOL Prospectus, the Statement of Additional Information, and all other disclosures carefully. Clients should direct questions regarding XVOL to their respective advisor.

Purchase or Sale of Securities at about the same time for Clients and Firm Related Persons. In the event that the Firm purchases or sells securities for Clients and any firm related persons at or about the same time, such purchases or sales will be "batch" transactions so that both the firm related persons and Clients receive the same execution price and time.

ITEM 12. BROKERAGE PRACTICES

SELECTION OF BROKERS

Sub-Advisory Services

When Acrucence Capital is engaged to provide sub-advisory services, the Firm may provide either discretionary or non-discretionary investment advisory services.

When providing discretionary investment advisory services, the Firm may directly affect transactions through the respective RIA Client's existing custodian.

When providing non-discretionary investment advisory services, the Firm may indirectly affect transactions by providing transaction recommendations to the RIA Client for the RIA Client to affect the recommended transactions through the respective RIA Client's existing custodian.

Under such circumstances, we may be unable to achieve most favorable execution for Client transactions. Directing brokerage may cost Clients more money in that the Client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the Client may receive less favorable prices.

Outsourced Chief Investment Officer Services

When Acrucence Capital is engaged to provide Outsourced CIO services, the Firm provides discretionary investment advisory services, permitting the RIA Client to direct brokerage. We do not affect transactions for the RIA Client's underlying clients. The Firm provides investment transaction recommendations to the RIA Client for the RIA Client to choose whether to affect the recommended transactions through the respective RIA Client's existing custodian.

XVOL

For Acrucence Capital's services to XVOL, the Firm affects transactions through XVOL's existing custodian, permitting the primary investment advisor to direct brokerage. Under such circumstances, we may be unable to achieve most favorable execution for Client transactions. Directing brokerage may cost Clients more money in that the Client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the Client may receive less favorable prices.

Advisor Directed Managed Accounts

The Firm uses Interactive Brokers LLC ("***Managed Account Custodian***") as custodian and tax reporter for Advisor Directed Managed Accounts. There is no relationship between the Firm and the Managed Account Custodian, other than a contractual relationship for the Managed Account Custodian's services. The Firm

will use one or more broker/dealers including, but not limited to, the Managed Account Custodian to route and execute trades of securities.

We will make every effort to select the broker/dealer that will provide the best execution for Managed Account Clients. In determining the best broker/dealer(s) for Managed Accounts, we will evaluate broker/dealers based on a variety of criteria including, but not limited to strength, stability, and responsibility; efficiency; reputation; access to markets; confidentiality; and commission rate.

RESEARCH AND OTHER SOFT-DOLLAR BENEFITS

Soft dollars are credits generated from client transactions with brokers or dealers which are made available to provide research or other services or products to an investment adviser. We have not entered into any soft dollar arrangements. In the future, should we enter into an arrangement that provides for the use of soft dollars, we will amend our Form ADV disclosures.

BROKERAGE FOR CLIENT REFERRALS

The Firm does not receive referrals from any broker/dealer or third-party providing service to the Firm.

ORDER AGGREGATION

When applicable, our policy will require that all trades be allocated in a manner that treats each account fairly, the overarching principle being that no Client is intentionally favored over another Client that is similarly situated. Generally, where an opportunity to purchase or sell an investment is appropriate for more than one Client, our policy is to aggregate account orders when doing so is likely to result in better overall pricing or reduced cost for the Client trade and all transaction costs will be shared by participating accounts on a *pro rata* basis.

Acrucence Capital will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its Clients and is consistent with the terms of Acrucence Capital's Investment Advisory Agreement with each Client for which trades are being aggregated. No Client will be favored over any other Client (this also includes each respective Client's underlying retail clients); each Client that participates in an aggregated order will participate at the average share price for all Acrucence Capital transactions in a given security on a given business day. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore, transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, Client direction or other factors making the account's participation ineligible or impractical.

If an aggregated order is filled in its entirety, it will be allocated among applicable Clients. If the order is partially filled, it will generally be allocated on a pro-rata basis, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated differently if all Client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of the Client's organization. Acrucence Capital's books and records will separately reflect, for each Client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of Clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the Clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for Clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and Acrucence Capital will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

In determining how a trade will be allocated among Client accounts, we may take into account the following considerations: (i) the size, nature, and type of investment or sale opportunity; (ii) the investment guidelines and restrictions on the accounts; (iii) regulatory and contractual requirements; (iv) cash position of the account; (v) liquidity needs/constraints of the accounts; (vi) minimum trade denominations; (vii) a determination that the investment or sale opportunity is inappropriate, in whole or in part, for one of more of the accounts; (viii) tax issues; (ix) risk tolerance; and (x) such other factors as we may deem relevant. Generally, trades will be allocated on a *pro rata* basis unless we determine, pursuant to policies, an alternative methodology is necessary to promote the fair and equitable treatment of all participating Clients over time.

Under no circumstances will we allocate investment opportunities based, in whole or in part, on the relative fee structure, the amount of fees paid by, or the profitability of any Client.

ITEM 13. REVIEW OF ACCOUNTS

We will analyze Client investments on a continuous basis in consideration of each respective Client's investment objectives, market activity, company developments, and industry intelligence. Reviews may also be triggered by events such as unusual market or economic circumstances or other unforeseen events.

Clients may request additional account reviews in light of their personal objectives. We will conduct such reviews, consistent with Client's desires respecting frequency and changing circumstances or objectives.

Clients will receive account statements from the qualified custodian(s) holding their funds and securities at least quarterly.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

From time to time, Acrucence Capital will enter into solicitation or placement agent agreements pursuant to which third parties are entitled to receive fees based on providing client or investor referrals. Such arrangements comply with the requirements set forth in Rule 206(4)-3 of the Investment Advisers Act of 1940, and/or applicable state statutes, as applicable.

ITEM 15. CUSTODY

Though we do not generally maintain physical custody of Client assets, in some cases we have access to Client funds. Custody has been defined as having possession of or access to client funds or securities. Acrucence Capital could be deemed to have custody in a number of circumstances such as:

RIA CLIENTS

Because the Firm generally has the authority to instruct the RIA Client's custodian to deduct the investment management fee directly from the RIA Client's account, the Firm is considered to have "custody" of Client assets.

We will not take physical custody of RIA Clients' funds and will not assign or transfer trading authorization to another adviser. RIA Clients will receive account statements from the qualified custodian(s) holding their funds and securities, no less than quarterly. The custodian's account statements will indicate the amount of our advisory fees deducted from the RIA Clients' account(s) each billing period. These statements should be carefully reviewed by the RIA Client for accuracy.

MANAGED ACCOUNT CLIENTS

1) Deduction of Investment Management Fees

We generally have the authority to instruct the Managed Account Custodian to deduct the investment advisory fee directly from the Managed Account Client's account. This limited access is monitored by the Managed Account Client through receipt of account statements directly from the Managed Account Custodian. These statements show the deduction of the investment advisory fee from the account. Managed Account Clients are highly encouraged to review the statements received from the Managed Account Custodian and contact Acrucence Capital or the Managed Account Custodian with any questions or concerns.

2) Standing Letters of Authorization ("SLOAs")

For certain Managed Account Clients, we may have standing instructions that authorize us to journal funds from a Managed Account Client's custodial account to a specific third-party. We follow established internal procedures, and work with the custodian to ensure that we comply with the seven conditions outlined in the SEC's February 21, 2017 No-Action letter to the Investment Adviser Association with respect to SLOAs.

3) Online Access to Certain Assets

For certain Managed Account Clients, we may be granted access to external accounts (e.g., 401(k) or 529 Plans) to review plan materials, obtain information related to investment exposure, and assist Managed Account Clients with investment selection.

ITEM 16. INVESTMENT DISCRETION

RIA CLIENTS

For RIA Clients, the Firm has full trading authority under a limited power of attorney assigned to the Firm, which is included in the investment advisory agreement. The Firm will exercise discretion in a manner that is consistent with the stated investment objectives for the account. The Firm only exercises discretion in accounts where the Firm has been authorized to do so, in writing, by the Client.

As a result, the Firm will determine both the type and amount of investments, to be purchased or sold on each Client's behalf. The Firm follows the investment strategy as set forth in the investment advisory agreement. Clients may place restrictions on the Firm's discretion in writing.

MANAGED ACCOUNT CLIENTS

Acrucence Capital accepts discretionary authority to manage securities accounts on behalf of its Managed Account Clients. Discretionary authority is granted by execution of the written investment advisory agreement which grants Acrucence Capital authority to buy, sell, or otherwise affect investment transactions involving the assets in the Managed Account Client's name found in the discretionary account. This includes the authority to hire and fire third-party managers and reallocate assets among them.

Managed Account Clients are permitted to impose reasonable limitations on Acrucence Capital's discretionary authority, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be provided to Acrucence Capital in writing.

ITEM 17. VOTING CLIENT SECURITIES

We do not vote proxies for Clients or assist with proxy voting decisions. Clients receive proxy voting material directly from the account custodian.

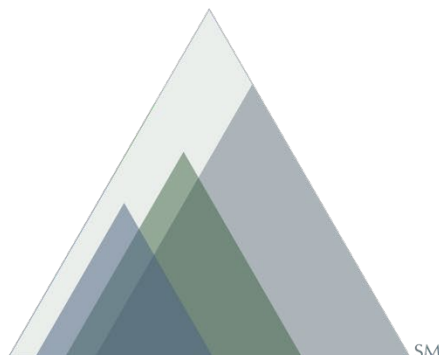
ITEM 18. FINANCIAL INFORMATION

We do not charge or solicit pre-payment of \$1,200 in fees, per client, six months or more in advance.

There is no financial condition that is reasonably likely to impair the Firm's ability to meet its contractual commitments to its Clients.

FORM ADV, PART 2B

ITEM 1. COVER PAGE



ACRUENCE CAPITAL

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www.acruence.com

Form ADV, Part 2B | Brochure Supplement

APRIL 2024

This brochure supplement provides information about the supervised persons of Acrudence Capital, LLC ("***Acrudence Capital***") and supplements Acrudence Capital's brochure. You should have received a copy of that brochure. Please contact our Chief Compliance Officer, Rob Emrich III at (512) 590-9417 or at rob@acruence.com if you did not receive our brochure or if you have any questions about the contents of this supplement.

Additional information about Acrudence Capital's supervised persons is available on the SEC's website at www.adviserinfo.sec.gov.

Robert E. Emrich III

8111 Preston Rd.
Suite 500
Dallas, Texas 75225
833.653.6400



Item 2. Educational Background and Business Experience

Robert E. Emrich III has been the Managing Director and Senior Portfolio Manager of Acruence Capital, LLC since November 2018. He has been registered as an investment adviser representative since September 2000. He has served as Managing Director and Senior Portfolio Manager of Castlevue Partners, LLC since June 2017. From November 2014 to June 2017, Mr. Emrich was Vice President of Manning & Napier Investor Services, LLC. From October 2014 to June 2017, Mr. Emrich was Vice President of Manning & Napier Advisors, LLC. He received a Bachelor of Science in Business Administration from Towson University in 1997.

Item 3. Disciplinary Information

Not applicable.

Item 4. Other Business Activities

Managing Director / Senior Portfolio Manager

Mr. Emrich has served as Managing Director and Senior Portfolio Manager of Castlevue Partners, LLC ("**CP**") since June 2017. CP is an investment adviser that is unaffiliated with Acruence Capital.

Dually-Registered Investment Adviser Representative

In addition to Acruence Capital, Mr. Emrich is also registered as an investment adviser representative with Castlevue Partners, LLC ("**CP**"). As stated above, CP is an investment adviser that is unaffiliated with Acruence Capital.

Mr. Emrich provides asset management and similar services through CP. Fees for asset management and similar services provided through CP are separate and distinct from the advisory fees paid to Mr. Emrich in his capacity as an investment adviser representative of Acruence Capital.

Clients that engage CP will receive a copy of the respective entity's disclosure document and will execute a client agreement specifying the services provided and fees charged by CP.

Sub-Adviser to Acruence Active Hedge U.S. Equity ETF ("XVOL**")**

Acruence Capital created XVOL (also referred to as the "Fund") to provide U.S. investors with an exchange-traded fund ("**ETF**") that implements a specific hedging strategy that cannot be as efficiently or effectively implemented using other available securities or derivatives. XVOL is offered broadly to Acruence Capital clients.

XVOL has an independent Board of Trustees and a separate primary investment adviser – Toroso Investments, LLC ("**Toroso**") – that provide services to the Fund. Additionally, Tidal ETF Services, LLC ("**Tidal**") provides certain consulting and administrative support services to XVOL. Acruence Capital has been retained by Toroso to serve as a sub-adviser to XVOL, and in that capacity Acruence Capital will make all investment decisions for XVOL, subject to oversight by the Board of Trustees and Toroso. In its role as sub-adviser, Acruence Capital will receive 0.02% of all assets invested in XVOL ("**the Sub-Adviser Fee**").

In addition, under a separate Exchange-Traded Fund Platform Support Agreement (“**Support Agreement**”) between Toroso, Acrucence, and Tidal; Acrucence will receive all profits of XVOL, after the payment of all of XVOL’s operating expenses. This provides an opportunity for Acrucence Capital to receive additional compensation based upon a percentage of all assets invested in XVOL as a “**Support Payment**” after the payment of ongoing operating expenses, including the expenses relating to the services provided by Toroso and Tidal.

As the sub-adviser and Outsourced CIO of Acrucence Capital clients, Mr. Emrich is responsible for every purchase of XVOL made by, and every recommendation to purchase XVOL made to, Acrucence Capital clients. Acrucence Capital’s receipt of the Sub-Adviser Fee and the Support Payment (collectively the “**Additional Compensation**”) creates a conflict of interest with respect to all purchases of, and recommendations to purchase, shares of XVOL, by Acrucence Capital clients. Specifically, Acrucence Capital and Mr. Emrich have a financial incentive to purchase or recommend the purchase of XVOL shares because they will receive direct or indirect financial benefit from the payment of the Additional Compensation.

For Acrucence Capital’s sub-advisory clients, we have ameliorated this conflict of interest with our current RIA Client for whom we provide sub-advisory services by negotiating and entering into an agreement whereby Acrucence Capital will offset, against the fees it receives for serving as sub-adviser, any revenue received as a result of the purchase of any XVOL shares by the RIA Client or the RIA Client’s underlying retail clients. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend or purchase XVOL in the RIA Client’s accounts (although this arrangement may not fully offset the ETF Compensation since it is not directly tied to the amount of compensation that Acrucence Capital receives as a result of XVOL purchases). For future RIA Clients for whom we provide sub-advisory services, we will ameliorate this conflict of interest by entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its sub-adviser.

For Acrucence Capital’s Outsourced CIO clients, we have ameliorated this conflict of interest by negotiating and entering into an agreement whereby Acrucence Capital will receive a flat monthly fee from the respective RIA Client for serving as its Outside Chief Investment Officer. The intent of this agreement is to eliminate or reduce any additional financial incentive for Acrucence Capital to recommend the purchase of XVOL shares to RIA Clients and/or the respective RIA Client’s underlying retail clients. This arrangement may also not fully obviate the indirect benefit that Acrucence Capital receives from being able to purchase XVOL in its Outsourced CIO Clients’ underlying retail client accounts.

We recommend that clients read the XVOL Prospectus, the Statement of Additional Information, and all other disclosures carefully. Clients should direct questions regarding XVOL to their respective advisor.

Item 5. Additional Compensation

Mr. Emrich serves as Managing Director and Senior Portfolio Manager of CP. Any fees generated for these services provided to CP would be separate and distinct from the advisory fees paid to Acrucence Capital for sub-advisory services. However, for these services, Mr. Emrich is not individually compensated.

Mr. Emrich serves as an investment adviser representative with CP. Any fees generated for these services provided to CP would be separate and distinct from the advisory fees paid to Acrucence Capital for sub-advisory services. However, for these services, Mr. Emrich is not individually compensated.

Further, neither Acruence Capital, nor Mr. Emrich, receive any additional benefit or compensation as a result of transactions made on behalf of CP, nor any of CP's respective underlying clients.

Item 6. Supervision

Mr. Emrich also serves as Acruence Capital's Chief Compliance Officer and is responsible for supervising all personnel in accordance with our policies and procedures. In addition, Mr. Emrich must comply with Acruence Capital's compliance policies and procedures. The compliance policies and procedures are designed to detect and prevent violations of the Investment Advisers Act of 1940, the Securities Act of 1933, and other laws as applicable to Acruence Capital. All personnel are required to comply with applicable securities laws. Appropriate disciplinary action will be taken for failure to comply with the requirements of our compliance policies and procedures, as well as applicable federal, state, and local securities laws and regulations. Mr. Emrich may be reached at (512) 590-9417.

Travis Fields

8111 Preston Rd.
Suite 500
Dallas, Texas 75225
833.653.6400



Item 2. Educational Background and Business Experience

Travis Fields has been an investment adviser representative of Acruence Capital since August 2019. He has been registered as an investment adviser representative since November 2015. He has served as an investment adviser representative with Sensus Wealth Management Group LLC since October 2015. From February 2014 to August 2015, Mr. Fields was a Teacher for the San Francisco Unified School District. He received a Bachelor of Science in Business Administration from Texas A&M University in 2008 and a Master of Arts in Teaching from Trinity University in 2011.

Item 3. Disciplinary Information

Not applicable.

Item 4. Other Business Activities

Not applicable.

Item 5. Additional Compensation

Not applicable.

Item 6. Supervision

Rob Emrich III serves as Acruence Capital's Chief Compliance Officer and is responsible for supervising all personnel (including, without limitation, Mr. Fields), in accordance with our policies and procedures. In addition, Mr. Fields must comply with Acruence Capital's compliance policies and procedures. The compliance policies and procedures are designed to detect and prevent violations of the Investment Advisers Act of 1940, the Securities Act of 1933, and other laws as applicable to Acruence Capital. All personnel are required to comply with applicable securities laws. Appropriate disciplinary action will be taken for failure to comply with the requirements of our compliance policies and procedures, as well as applicable federal, state, and local securities laws and regulations. Mr. Emrich may be reached at (512) 590-9417.



FORM ADV, PART 3

Client Relationship Summary

ACRUENCE CAPITAL, LLC (“Acruence” or “we”) is an investment adviser registered with the U.S. Securities and Exchange Commission (the “SEC”). Brokerage and investment advisory fees differ, and it’s important for you to understand the difference. This client relationship summary (“Form CRS”) provides information that can help you determine if you want to do business with us. Below, you’ll find a series of frequently asked questions in *blue italics*. The answers provided afford you an overview of our firm, while the *italicized text* directs you to other documents and/or websites from which you can obtain additional information. **CONVERSATION STARTERS** are questions that you should ask a financial professional in order to start a conversation about these important topics.

Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

RELATIONSHIPS AND SERVICES

What investment services and advice can you provide for me?

Our primary investment advisory service, for retail investors, consists of direct fee portfolio management. Our services are tailored to the needs of each client based on their circumstances, investment objectives, time horizon, and risk tolerance. Your Investment Adviser Representative (“IAR”) is your main contact. He/she provides advice regarding investments and assistance with the development of your overall investment plan.

PORTFOLIO MANAGEMENT. We manage client assets on a discretionary basis, in which you grant us the authority to select your investments and direct the purchase/sale of securities in your custodial account(s). Our standard service includes regularly monitoring your account(s) to ensure that your portfolio holdings are consistent with your overall investment plan (subject to any reasonable restrictions you provide us in writing). We limit the types of investments that we recommend, including only those we deem suitable for your unique circumstances. We generally require a minimum of \$100,000 in assets under our management to establish a new client relationship but may waive or reduce this minimum. *Please refer to Items 4 and 7 of our [Form ADV, Part 2A: Brochure](#) for more detailed information regarding our services.*

SUB-ADVISORY SERVICES. Your investment plan may include various investment strategies for achieving your financial goals. We may recommend the use of one or more third-party investment advisers (“sub-advisers”) to manage a portion of your assets via an investment model or a separately managed account. Similarly, we offer our own proprietary investment strategies and may recommend their use to clients. Because we would receive an additional fee for the use of our investment strategy, this may create a conflict by incentivizing us to recommend the use of our strategy instead of a comparable strategy offered by an unaffiliated adviser.

OTHER SERVICES. Some of our IARs are independently affiliated with other investment advisory firms, which may serve as sub-advisers in managing a position of your investment assets. Such affiliated investment advisory firms are registered with either the SEC or state securities regulatory agencies. These IARs receive a fee when a client’s investment portfolio is managed by their affiliated investment advisory firms. Therefore, these IARs are incentivized to recommend the purchase of investment management services offered by their affiliated investment advisory firms.

CONVERSATION STARTERS

- Given my financial situation, should I choose your investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?
- Help me understand how the fees and costs I pay might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
- How might your conflicts of interest affect me, and how will you address them?
- As a financial professional, do you have disciplinary history? For what type of conduct?
- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

FEES, COSTS, CONFLICTS, AND STANDARDS OF CONDUCT

What fees will I pay?

INVESTMENT ADVISORY FEES. You will be charged fees based on the services you receive and the fee arrangement that you select. Investment advisory fees are charged monthly and may be paid in advance or in arrears, depending on our agreement with you. You pay investment advisory fees even if you have no transactions; the advisory fee does not vary based on the type of investments selected. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information please refer to our [Form ADV, Part 2A: Brochure](#).

DIRECT FEES. Clients pay our direct investment advisory fee plus separate fees to their custodian and sub-adviser(s). The investment advisory fee is calculated based on clients' assets under management with our firm. Because our fee increases as their account value grows, we are incentivized to increase their assets in order to increase our fee. This could lead IARs to recommend riskier investments than they normally would.

SUB-ADVISER FEES. Sub-advisers may charge direct fees and/or "performance fees" (that is, fees based on a share of capital gains or capital appreciation of assets under management). We receive a portion of the sub-adviser fees and are, therefore, incentivized to refer clients to sub-advisers. *Please refer to Item 6 of our [Form ADV, Part 2A: Brochure](#) for more detailed information regarding sub-adviser fees.*

OTHER FEES AND COSTS. Our investment advisory fees are exclusive of broker commissions; taxes; sub-advisory fees; transaction, exchange, and wire/ACH transfer fees; custodial charges; and other related costs and expenses associated with your account(s). Your account will be charged separately for these costs, if incurred.

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. For example, because we charge an asset-based investment advisory fee, the more assets there are in your account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account. We have adopted a Code of Ethics that outlines our expectations regarding our employees' standards of business conduct, potential conflicts of interest, and our fiduciary duty to our clients. Where we have identified potential conflicts of interest, we use best efforts to mitigate the potential risk(s) through a combination of compliance policies, operational procedures, employee training, and regular testing,

How do your financial professionals make money?

Our IARs are compensated based on a portion of the fees paid to our firm for advisory services, creating a conflict of interest as they may be incentivized to recommend products or services that generate higher fees. Other firm personnel are compensated based on individual performance and the growth of the business.

DISCIPLINARY HISTORY

Do you or your financial professionals have legal or disciplinary history?

Neither our firm, nor any of our financial professionals, have been the subject of any disciplinary event by regulators nor are we party to any legal events that are material to your evaluation of our business.

Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

ADDITIONAL INFORMATION

For further information about our services, please refer to our [Form ADV, Part 2A: Brochure](#). If you have any questions or would like an updated copy of this client relationship summary, please call us at (833) 653-6400. You may also visit www.adviserinfo.sec.gov for additional information on our firm and personnel.