

# Atlas

---

## Part 2A of Form ADV: Firm Brochure

**Atlas Capital Team Inc.**  
**6 East 1<sup>st</sup> Street**  
**Suite 5A, New York, NY 100023**  
**Phone – 347-388-2658**

**April 29, 2024**

---

This brochure provides information about the qualifications and business practices of Atlas Capital Team Inc. (“**Atlas**”, “**the Adviser**”, or “**the Firm**”). If you have any questions about the contents of this brochure, please contact us at **347-388-2658**. 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.

Atlas is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Atlas is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 - Material Changes**

Atlas Capital Team L.P. is a new registrant. Therefore, this is its initial “Brochure” with the United States Securities and Exchange Commission (the “SEC”). In the future, this Item will discuss only specific material changes that are made to the Brochure and provide a summary of such changes. The Adviser will also reference the date of the last annual update of its Brochure on each future amendment, if applicable.

This brochure will be updated in its entirety within 120 days of the Adviser’s effective date of SEC registration. Pursuant to SEC rules, the Adviser will also ensure that its clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of its business fiscal year. The Adviser may further provide other ongoing disclosure information about material changes as necessary.

Currently, the Adviser’s Brochure may be requested by contacting Carlo Zola, the Chief Compliance Officer (the “CCO”) at [carlo@atlasclap.io](mailto:carlo@atlasclap.io) or (347) 388-2558.

### **Item 3 - Table of Contents**

Item 2 - Material Changes .....	ii
Item 3 - Table of Contents.....	iii
Item 4 - Advisory Business .....	4
Item 5 - Fees and Compensation .....	5
Item 6 - Performance-Based Fees and Side-By-Side Management.....	6
Item 7 - Types of Clients .....	7
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9 - Disciplinary Information.....	15
Item 10 - Other Financial Industry Activities and Affiliations.....	16
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.	17
Item 12 - Brokerage Practices .....	18
Item 13 - Review of Accounts.....	21
Item 14 - Client Referrals and Other Compensation .....	22
Item 15 - Custody .....	23
Item 16 - Investment Discretion .....	24
Item 17 - Voting Client Securities.....	24
Item 18 - Financial Information .....	27

#### Item 4 - Advisory Business

- A. **Description of Advisory Firm.** Atlas was incorporated in Delaware in 2023 and maintains its principal place of business in New York. Atlas is primarily owned by Reza Bundy and is an affiliate of N.O.A. LLC (“N.O.A.”), located in New York.
- B. **Advisory Services Offered.** Atlas is a global asset management firm that’s seeking to provide U.S., non-U.S. and global investment strategies to institutional clients. Atlas is also the sponsor of actively managed Exchange Traded Funds (“ETF”), which is managed in accordance with the fund(s)’ offering document. The Firm generally does not tailor advisory services to the individual needs of investors in the ETF.
- C. **Investment Strategy.** Atlas’ strategy invests in a variety of assets/securities with the primary objective of enabling stable returns across economic regimes that vary over time. The design of the investment strategy is such that it is expected to deliver moderate returns with low volatility during long periods of time. During periods of decline in growth and/or increase in inflation and/or heightened geopolitical risks, where generally broad equity markets experience high volatility, Atlas’ multi-asset strategy is designed to be resilient and characterized by low volatility.
- D. **Oversight and Control of the Funds; Adviser Services.** The ETF(s) are subject to the general supervision of the Board of Trustees of the ETF Trust (the “**ETF Board**”)
- The Adviser renders investment advice to the Funds. The services provided by the Adviser include: (i) furnishing continuously an investment program for each Fund; (ii) providing investment advice regarding the investment and reinvestment of Fund assets; (iii) determining which investments shall be purchased, held, sold or exchanged for each Fund; (iv) providing the ETF Trust with records concerning the activities that it is required to maintain; (v) serving as the valuation designee of the Funds to perform all fair valuations of the Funds’ portfolio investments; and (vi) rendering reports to the ETF Trust’s officers and the ETF Board concerning the Adviser’s discharge of the foregoing responsibilities. In addition, the Adviser may arrange for other necessary services, including custodial, transfer agency and administration, subject to approval by the ETF Board. The Adviser may carry out its responsibilities directly or it may appoint one or more sub-advisers or other third parties to provide such services on behalf of the Adviser with respect to any of the Funds.
- E. **Wrap Fee Programs.** The Adviser does not participate in wrap fee programs.
- F. **Assets Under Management.** At present, Atlas does not have any assets under management.

## **Item 5 - Fees and Compensation**

- A. How Atlas Is Compensated for Advisory Services.** Atlas's fees vary depending on factors, including, by not limited to, the type of services provided and strategy.

Generally, for services provided under the applicable investment advisory agreement with each Fund, the Adviser is paid a fee based upon a percentage of that Fund's daily net assets (*i.e.*, a "**Management Fee**"). The Management Fee with respect to a Fund may vary from the fee schedules described herein due to factors such as, for example, the applicable investment strategy or benchmark, the size of the Fund, and the Fund's servicing or reporting requirements. The Adviser may change the fee schedules described herein.

- B. Other Types of Fees and Expenses.** Expenses incurred in connection with executing an investment, including, but not limited to due diligence costs and broker fees, will be allocated among the participating investors on a pro-rata basis based on the respective investment proportion.

Please refer to the applicable prospectus for further information regarding the fees and expenses.

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

Neither the Adviser nor any of its supervised persons accepts performance-based fees – *i.e.*, fees based on a share of capital gains on, or capital appreciation of, the assets of a client. Neither the Adviser nor any of its supervised persons manage accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee.

## **Item 7 - Types of Clients**

As discussed above in Item 4, “Advisory Business,” the Adviser offers investment advisory services to various types of clients, including registered investment companies.

Each ETF is an “exchange traded fund,” meaning that its shares are listed on a national securities exchange, such as the NYSE Arca, Inc., NASDAQ, or Cboe BZX Exchange, Inc., and such shares trade at market prices. Each Atlas ETF is a series of the ETF Trust, which is an open-end management investment company registered as an investment company under the 1940 Act. The shares of each ETF are registered under the 1933 Act.

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

- A. **Methods of Analysis and Investment Strategies.** Atlas' investment strategy is designed to invest in a variety of assets/securities with the primary objective of enabling stable returns across economic regimes that vary over time. It's investment process entails a top-down analysis of macroeconomic factors to drive the asset allocation process between asset classes, coupled with bottom-up fundamental research driving the allocation to equities, where and when applicable.
- B. **Investment Risks.** The below discussion includes and is based upon numerous assumptions and opinions of the Adviser, the accuracy of which cannot be assured. An investment in an ETF involves significant risks and should be made with an understanding that the value of a Fund's portfolio securities may fluctuate (including, significantly decrease) in accordance with changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular security or issuer, changes in general economic or political conditions, local, regional or global events such as war, threats of war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, natural and environmental disasters, systemic market dislocations, supply disruptions, or other events. Such events may disparately impact a particular issuer or issuers, exchange, country, group of countries, region, market, industry, group of industries, sector or asset class. An investor in a ETF could lose money, including the possible loss of the entire principal amount of an investment, over short or long periods of time. It is impossible to predict the effects on the ETF of these or similar events and market conditions in the future. However, it is possible that these or similar events and market conditions could have a significant and adverse effect on the net asset value and/or risk profile of the ETF. Prospective investors should carefully consider, among other factors, the matters described below each of which could have an adverse effect on the value of the investor's interests in the ETF. The following list is not a complete list of all risks and other considerations involved in connection with an investment in an ETF. Prospective investors should make their own inquiries and investigation of the investment described herein, including the merits and risks involved and the legality and tax consequences of such an investment, and consult their own advisors as to an ETF, and the legal, tax and related matters concerning an investment in an ETF.

### *Portfolio Company Investment Risk*

There can be no assurance that Atlas's investment strategy will achieve its investment objectives. Our assessment of the short-term or long-term prospects for investments may not prove accurate. No assurance can be given that any investment strategy implemented by us on behalf of our clients will be successful and there is a risk that clients may suffer a significant loss of their invested capital. Investing in securities involves the risk of loss that clients should be prepared to bear. The following list of risk factors is not a complete list of the risks of investing in the strategies described above.

### *Cyber Security*

Atlas' technology systems, and those of our critical third parties such as administrators, custodians and auditors, may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by



unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, floods, tornadoes, hurricanes and earthquakes. The failure of these systems and/or of a disaster recovery plan for any reason could cause a significant interruption in the operations of the Firm and its clients and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to clients. Such a failure could harm a person's reputation and subject the Firm to legal claims, regulatory finds and impair business and financial performance.

### *Misinformation*

The use of social networks, message boards, internet channels and other platforms has become widespread within the United States and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation, without independent or authoritative verification. Any such information or misinformation regarding the Adviser, the Funds or portfolio companies in which the Funds invest could have a material and adverse effect on the Funds.

### *Geopolitical/Economic Risk International and global mandates invest in diverse countries and economies throughout the globe.*

Wars and other international conflicts, such as the Israeli-Palestinian conflict and the ongoing military conflict between Russia and Ukraine, have caused disruption to global financial systems, trade and transport, among other things. In response, multiple countries have put in place sanctions and other severe restrictions or prohibitions on certain of the countries involved, as well as related individuals and businesses. These conflicts may have a significant adverse impact and result in significant losses to the Funds.

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund or Model Portfolio to execute its investment strategies. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon a Fund's portfolio companies.

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and COVID-19, have resulted in historic market disruptions, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are

impossible to predict, all of which may result in significant adverse impacts to the Funds and Model Portfolios.

While changes in market conditions and interest rates generally do not have the same impact on all types of securities and instruments, during a general market downturn, multiple asset classes may be negatively affected. Investor perceptions, confidence (or lack thereof) and/or uncertainty are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction; and global or regional political, economic, health or banking crises.

#### *Suspension of Trading Risk*

Securities exchanges typically have the right to suspend or limit trading in any instrument traded on the exchange. A suspension would render it impossible to liquidate positions and could expose the account to losses.

#### *Specialization Risk*

Accounts may invest primarily in or have exposure to companies in particular industries or particular geographic areas of the world. If the particular industry or geographic region prospers, the outlook for companies in that industry or geographic region will generally increase, as may the value of the accounts that invest in or have exposure to them. Conversely, if the particular industry or geographic region experiences a downturn, the outlook for companies in that industry or geographic region will generally decline, as may the value of the accounts that invest in or have exposure to them. In addition, the account may suffer because it has relatively few other investments within other industries or geographic areas to offset the downturn.

#### *Tax Risk*

Tax laws and regulations applicable to an account or fund may change, which may result in unexpected tax liabilities. Clients should consult their own tax advisors to determine the potential tax-related consequences of investing through an account or in a fund. Foreign Securities Risk Investments in foreign securities involves risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers are subject. These risks include expropriation, differing accounting and disclosure standards, currency exchange risks, settlement difficulties, market illiquidity, difficulties enforcing legal rights and greater transaction costs.

#### *Currency Risk*

Currency strategy risks can include risks described above in equity strategy risks as well as additional special risks, such as credit risk, interest rate fluctuations and derivative investment risk. In particular, Funds that employ hedged equity strategies to minimize the impact of

changes in the value of applicable currencies, such as the euro and the Japanese yen, against the U.S. dollar may not be successful hedging against such currencies.

Changes in currency exchange rates or the imposition of foreign exchange controls may negatively affect the value of any securities with foreign currency exposure held by an account. For example, if the U.S. dollar rises in value relative to the Canadian dollar, an account's Canadian holdings will be worth less in U.S. dollars. On the other hand, if the U.S. dollar falls, an account's Canadian holdings will be worth more in U.S. dollars. Issuer Specific Risks The value of an individual security can be more volatile than the market as a whole and can perform differently from the market. An account could lose all of its investment in a company.

### *Concentration Risk*

The investment objectives of an account may permit concentration in one or more issuers. A relatively high concentration of assets in, or exposure to, a single or small number of issuers may reduce the diversification and/or liquidity of an account and increase its volatility.

### *Material Risks for Equity Strategies Equity Risk*

Equity strategy risks include possible loss of principal, and Funds with global equity strategies are subject to foreign investing risks, such as currency fluctuations, political or economic instability, or significant geographic events. Investments geographically concentrated in a single country or region are subject to greater risk from the impact of events and developments associated with such country or region, which can adversely affect performance. Investments in emerging, offshore or frontier markets are generally less liquid than investments in developed markets and are subject to additional risks, such as risks of adverse governmental regulation and intervention or political developments. Investing in certain sectors increases a Fund's vulnerability to any single economic or regulatory development, which may result in greater price volatility. Investments in small- and mid-cap companies tend to be more volatile than those in large-cap companies because small- and mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. Funds that have a high concentration in some issuers can be adversely impacted by changes affecting those issuers.

A Fund's investment portfolio may contain debt and/or equity securities issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, and increased costs associated with each of the aforementioned risks.

Certain Fund investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS"), such as

where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments, or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund's performance.

Index Funds invest in the securities included in, or representative of, its index regardless of their investment merit, and the Index Funds do not attempt to outperform their respective indexes or take defensive positions in declining markets. The performance of an Index Fund may differ from the performance of its underlying index for a variety of reasons, such as operating expenses, portfolio transaction costs, or the use of sampling techniques.

#### *Material Risks of Alternative Investments*

Alternative investments encompass a range of asset classes and strategies that bear a high level of risk, meriting careful consideration before investment. The inherent risks of these investments include:

**Market Risk** arises from the inherent volatility associated with alternative investments, where values can fluctuate significantly due to changes in market

conditions, global economic factors, and industry-specific developments. Such volatility may lead to substantial losses.

**Liquidity Risk** relates to the potential difficulty in liquidating investments in private equity, real estate, hedge funds, and other illiquid assets at favorable prices, thus possibly extending holding periods and complicating valuation accuracy.

**Counterparty Risk** involves the reliability and financial stability of counterparties in transactions. Failure of a counterparty to meet its obligations could result in significant financial losses for the investor.

**Operational Risk** concerns the potential for errors in the management of complex trading strategies and financial instruments. Failures in internal processes, people, or systems, or from external events, can adversely impact operations.

**Leverage Risk** involves the use of borrowing or derivatives to amplify investment exposure, which can magnify both gains and losses, potentially leading to substantial financial detriment.

**Regulatory and Tax Risks** pertain to changes in laws, regulations, or government policies that can significantly alter the investment landscape. Adverse legal or tax consequences unforeseen at the time of investment may affect returns negatively.

**Concentration Risk** occurs when investments are concentrated in a small number of instruments or strategies, which can expose the fund to greater volatility and risk of substantial loss compared to more diversified investments.

**Valuation Risk** involves the inherent uncertainty and variability in valuing alternative investments, which can affect the accuracy of financial reporting and investment performance.

### *Large Capitalization Risks*

Large, established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many large companies may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion. Small and Mid-Capitalization Risks Investment in securities of small and medium-sized companies may involve greater risks than investing in larger, more established issuers. Small and medium-sized companies typically have relatively lower revenues, limited product lines and lack of management depth and may have a smaller share of the market for their product or service than large companies. Stocks with smaller capitalizations tend to have less trading volume than stocks with large capitalizations. Less trading volume may make it more difficult for our portfolio managers to sell securities of small- and mid-capitalization companies at quoted market prices. There are periods when

investing in small-and mid-capitalization stocks fall out of favor with investors and the stocks of small- and mid-capitalization companies underperform.

### *Material Risks for Fixed Income Strategies*

The value of an investment in a fixed income strategy may change in response to changes in interest rates. An increase in interest rates typically causes a fall in the value of the debt securities in which the strategy invests. The longer the duration of a debt security, the more its value typically falls in response to an increase in interest rates. The value of an investment in a fixed income strategy may change in response to the credit ratings of the strategy's portfolio of debt securities. The degree of risk for a particular security may be reflected in its credit rating. Typically, investment risk and price volatility increase as a security's credit rating declines. The financial condition of an issuer of a debt security held by a strategy may cause it to default or become unable to pay interest or principal due on the security. A strategy cannot collect interest and principal payments on a debt security if the issuer defaults. Certain fixed income securities held by a strategy may be difficult (or impossible) to sell at the time and at the price the portfolio manager seeks to obtain. As a result, a strategy may have to hold these securities longer than it would like and may forego other investment opportunities. There is the possibility that a strategy may lose money or be prevented from realizing capital gains if it cannot sell a security at a particular time and price. Certain securities, such as asset-backed securities, may be affected by the credit risk of the servicing agent for the pool, the originator of the loans or receivables, or the financial institution(s) providing the credit support. Asset-backed securities are also subject to prepayment risk which during periods of declining interest rates, prepayment of loans underlying asset-backed securities can be expected to accelerate or an issuer may retire an outstanding bond early to reduce interest costs.

**Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the Adviser or the integrity of an Adviser's management.

There are no legal or disciplinary events that are material with respect to an evaluation of the Adviser's advisory services or the integrity of its management.

**Item 10 - Other Financial Industry Activities and Affiliations**

The Adviser has no relationships or arrangements with any related person listed in the instructions to Item 10. C. that are material to its advisory business or to its Clients.



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

**Code of Ethics.** The Advisor has adopted a written Code of Ethics (the “**Code of Ethics**”) pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, as amended (“**Advisers Act**”), which applies to all of our supervised persons.

Atlas’s Code of Ethics is predicated on the principal the Adviser owes a fiduciary duty to the Funds and investors. The Code is designed to address and avoid conflicts of interest and is applicable to all to all Supervised Persons. To that end, our Code of Ethics, among other things, requires employees to comply with all applicable federal and state laws and regulations, and make prompt reports of any actual or suspected violations of such laws by Atlas or its employees.

The Code of Ethics imposes certain trading restrictions on persons who are likely to know about our trading activity, so as to avoid actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Code of Ethics also addresses outside activities of employees, policies and procedures concerning the prevention of insider trading, includes restrictions on the acceptance of costly or lavish gifts and entertainment, electronic communications, and the pre-clearance of political contributions. The Code of Ethics is circulated at least annually to all employees, and each employee at least annually must certify that he or she has received and read the Code of Ethics and any amendments there.

The Adviser will provide a copy of the Code to any investor or prospective investor upon request. Contact information is provided on the cover of this Brochure.

We may recommend to our clients that they buy or sell securities or other investments in which we or a related person has some financial interest. We will attempt to handle these and other conflicts of interest in a manner that we deem to be fair and equitable under the circumstances, although there can be no assurance that we will be successful in this regard.

Certain conflicts that may be encountered in the course of Atlas’ activities, for or on behalf of the Clients, are described in Items 5,6,8, and 10 and reference is made thereto. In addition, the governing documents of the Clients address in detail certain other reasonably anticipated potential conflicts of interest.

## Item 12 - Brokerage Practices

### *Brokerage Selection*

In selecting broker-dealers, Atlas seeks to obtain the best combination of net price and execution for client accounts. At times we have an incentive to select or recommend a broker-dealer based on our interest in receiving research or other products or services of the broker-dealer, rather than on the interests of clients in receiving the lowest execution price. However, in all instances, the primary consideration when placing an order with a broker is overall best execution. We consider other factors as part of our trading strategy, including the quality and capability of the research and execution services that enhance our investment research, portfolio management, and trading capabilities. With regard to these services, we consider many factors, including, but not limited to:

- The broker-dealer's research coverage of sectors and companies
- The ability to provide access to issuers or conferences
- Timing and accuracy of information
- Execution capabilities, including the ability to accept orders via electronic communications
- The ability to execute effectively in the target company, issuer or market
- Activities related to matching, clearance, confirmation, settlement, liquidity and security price
- The willingness to commit capital
- Confidentiality
- Commission rate
- The availability of inventory for the particular trade
- The broker-dealer's ability to execute the desired volume

One measurement of the effectiveness of our equity trading strategy, is a comparison of our executions against data compiled by a third-party independent consultant. This data is reviewed periodically by the relevant investment team to ensure that our trading strategy is working, and the brokers are providing the best possible executions. If execution issues arise with any broker, the traders may put the broker on a watch-list or a restricted list. We generally consider the amount and nature of research, execution and other services provided by broker-dealers, as well as the extent to which these services are relied on. We attempt to allocate a portion of the brokerage business on the basis of these considerations. Neither the research services nor the amount of brokerage given to a particular broker-dealer are a part of any agreement or commitment that would bind us to compensate any broker-dealer for research provided. We attempt to allocate sufficient commissions to broker-dealers that have provided us with research we believe is useful to our research process and thus more or less than the suggested allocations.

Atlas generally routes a portion of its orders to brokers for execution electronically (either directly to a broker or trading floor, or through various ECN/matching networks). These services typically provide low-cost commissions as well as high quality executions and

anonymity in the market. Atlas' Investment Committee meets frequently to review the current trading budget, as well as how commission dollars were spent during the previous quarter.

With respect to our international equity strategy, our traders are permitted to place trades with an affiliated broker-dealer to the extent permitted by law, so long as the trader believes that the costs and execution of such trades are comparable to and competitive with other brokers on the Approved Brokers list. We seek to obtain best execution on all such transactions.

#### *Brokerage Selection – Fixed Income*

For fixed income transactions, brokerage allocation is primarily based on the broker-dealer's order execution capabilities, focusing on availability of inventory and pricing. Trades executed directly with a market-maker in a security, such as transactions in most fixed income securities, are charged dealer mark-ups or mark-downs rather than commissions. Over-the-counter trades with brokers may result in commissions on top of dealer mark-ups or mark-downs. Trades that could be executed with a market-maker are executed on an agency basis only when we believe that agency execution will be more favorable to the client than going directly to a market-maker. Our traders are permitted to place fixed income trades with an affiliated broker-dealer, so long as the trader believes that the costs and execution of such trades are comparable to and competitive with other brokers and trade-by-trade client consent is obtained as required by law and subject to applicable regulatory regulations. We seek to obtain best execution on all such transactions.

#### *Error Correction*

A trade error is an error in the placement, execution or settlement of a transaction. A trade error is not an intentional or reckless act of misconduct. We correct trade errors promptly, in a manner that does not disadvantage the client, and not through the use of client brokerage commissions. When an error occurs, a client will keep any resulting gain, or we will reimburse the client for any material loss. Certain clients may not be reimbursed for errors when the impact is not material, which is currently a threshold set at less than \$100. Where more than one transaction is involved in an error, the gain will be determined net of any associated loss. We will not, however, offset a loss from one client against a gain from another client account. We review errors on a regular basis for appropriate mitigation and resolution.

#### *Brokerage for Client Referrals*

In selecting a broker, Atlas does not consider whether the Firm or a related person receives client or investor referrals from a broker or third party.

#### *Directed Brokerage*

To the extent possible, Atlas generally trades all client accounts in a single aggregated order and allocates executions accordingly. We believe this method is the most efficient in achieving best execution for our clients and provides clients with and as a result we do not generally participate in client directed brokerage programs. Clients who request brokerage to be directed

to a particular broker-dealer risk the loss of purchasing power of larger transaction sizes and can suffer less-than optimal execution quality as a result. However, in certain circumstances, when an account is trading on its own, due to specific account issues (such as cash needs or the initial construction of the portfolio), we will consider using a client-directed brokerage program. When a client has instructed Atlas to utilize a particular broker or dealer to execute some or all transactions for such client's account, the client is typically responsible for negotiating the terms and arrangements for the account with that broker or dealer. Atlas will not seek better execution services or prices from other broker-dealers or be able to aggregate such client's transactions, for execution through other brokers or dealers, with orders for other accounts advised or managed by the Firm. As a result, Atlas may not obtain best execution on behalf of the client, who may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions for the account than would otherwise be the case.

#### *Trade Order Sequence, Rotation and Aggregation*

Atlas seeks to enter client trade orders in a fair, orderly, and equitable manner. We may deviate from the pre-determined sequencing schedule, as we have in the past, when prevailing market conditions and nature of the order makes it prudent to do so.

Atlas typically manages client accounts based on a model portfolio that is designed to achieve the investment objectives of the strategy chosen by the client. We conduct transactions in client accounts to reasonably match the model portfolios daily, weekly, monthly, or as needed. We typically do not conduct transactions on behalf of clients in the wrap fee programs as frequently as we do on behalf of other clients for several reasons, including that certain transactions for the client accounts in the wrap fee programs may be very small due to the wrap fee programs' lower minimum account balances and/or minimum size order requirements, and we seek to avoid conducting these small transactions. After a portfolio manager has determined the number of shares to be purchased or sold, or the market value percentage desired for a security, he or she will communicate the order to the Firm's trading group.

We generally do not aggregate orders for separate accounts with orders for fixed income model portfolio accounts. Although our investment decisions for fixed income separate accounts and recommendations for fixed income model portfolios accounts are made/conveyed simultaneously, we need more time to make trade decisions for the fixed income model portfolio accounts. This generally means that we will trade the fixed income model portfolio accounts later than fixed income separate accounts and model portfolio accounts will likely receive different prices from those received by separate accounts for the same securities. When we aggregate orders in the same securities for both separate accounts and fixed income model portfolio accounts, we will average the securities acquired for the benefit of all participating accounts.

**Item 13 - Review of Accounts**

Client accounts are held at custodians chosen by the client. Each client receives statements from their custodian at least monthly. Atlas typically provides reports to clients no less frequently than quarterly. Reports provided by Atlas typically detail performance, holdings and transactions. For certain clients, we may also provide reports detailing sector allocations, top and bottom contributors to performance, and performance attribution.

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

- A. **Third Party Compensation.** The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to the Fund.

## **Item 15 - Custody**

Atlas does not serve as a custodian for the assets of its clients and does not have physical custody of client funds or securities at any time. We work with a number of different custodian banks including most of the major providers. Clients should select a qualified custodian that will hold the assets of the account and deliver account statements at least quarterly directly to the clients. Each client is urged to compare the account statements provided by Atlas with the account statements provided by their custodian. If a client does not receive account statements from their custodian, Atlas urges the client to contact their custodian to establish regular account reporting.

A client's custody agreement with its qualified custodian may contain authorizations with respect to the transfer of client funds or securities broader than those in the client's written investment management agreement with Atlas. In these circumstances, Atlas' authority is limited to the authority set forth in the client's written investment management agreement with Atlas regardless of any broader authorization in the client's custody agreement with its qualified custodian. The qualified custodian's monitoring, if any, of the client's account is governed by the client's relationship with its custodian.

**Item 16 - Investment Discretion**

All clients enter into a written investment management agreement with Atlas prior to receiving investment management services. We provide discretionary investment management services to a client only if the client's written investment management agreement or other document expressly grants this discretion. Subject to pre-determined investment objectives, benchmarks and guidelines and the execution of a written investment management agreement, Atlas has full discretionary authority to manage securities and cash held in accounts on behalf of its clients. Clients can place reasonable restrictions on Atlas' investment discretion.



## Item 17 - Voting Client Securities

Proxies will be considered assets of Atlas's Clients that must be voted with diligence, care, and loyalty. Atlas will vote each proxy in accordance with its fiduciary duty to its Clients. Atlas will generally seek to vote proxies in a way that maximizes the value of Clients' assets. However, Atlas will document and abide by any specific proxy voting instructions conveyed by a Client with respect to that Client's securities.

Atlas' proxy voting guidelines will be both principles-based and rules-based. Atlas' expects to adhere to a core set of principles that are described in this Proxy Voting Policy and assesses each proxy proposal in light of these principles. Atlas' proxy voting "litmus test" will always be what it views as most likely to maximize long-term shareholder value. Atlas believes that the authority and accountability for setting and executing corporate policies, goals and compensation generally should rest with the board of directors and senior management. In return, Atlas will support strong investor rights that allow shareholders to hold directors and management accountable if they fail to act in the best interests of shareholders.

Generally, Atlas expects to vote proposals in accordance with these guidelines but, consistent with its "principles-based" approach to proxy voting, Atlas may deviate from the guidelines if warranted by the specific facts and circumstances of the situation (*i.e.*, if, under the circumstances, Atlas believes that deviating from its stated policy is necessary to help maximize long-term shareholder value). In addition, these guidelines are not intended to address all issues that may appear on all proxy ballots. Atlas will evaluate on a case-by-case basis any proposal not specifically addressed by these guidelines, whether submitted by management or shareholders, always keeping in mind Atlas' fiduciary duty to make voting decisions that, by maximizing long-term shareholder value, are in the Clients' best interests.

The proxy voting guidelines will provide that Atlas will generally vote for or against various proxy proposals, usually based upon certain specified criteria. As an example, the guidelines may provide that Atlas will generally vote in favor of proposals to:

- Repeal existing classified boards and elect directors on an annual basis;
- Adopt a written majority voting or withhold policy (in situations in which a company has not previously adopted such a policy);
- Lower supermajority shareholder vote requirements for charter and bylaw amendments;
- Lower supermajority shareholder vote requirements for mergers and other business combinations;
- Increase common share authorizations for a stock split;
- Implement a reverse stock split;
- Approve an ESOP (employee stock ownership plan) or other broad-based employee stock purchase or ownership plan, or increase authorized shares for existing plans; and
- Adopt certain social and environmental issues regarding discrimination, disclosures of environmental impact, animal treatment and corporate sustainability, when appropriate.

The proxy voting guidelines will also provide that Atlas will generally vote against proposals to:

- Elect director nominees that sit on more than six public company boards, or, if the nominee is a CEO, more than three public company boards;

- Classify the board of directors;
- Require that poison pill plans be submitted for shareholder ratification;
- Adopt dual class exchange offers or dual class recapitalizations;
- Require a supermajority shareholder vote to approve mergers and other significant business combinations;
- Require a supermajority shareholder vote to approve charter and bylaw amendments; and
- Adopt certain social and environmental proposals deemed unwarranted by Atlas's board of directors.

In certain circumstances, the guidelines provide that proxy proposals will be addressed on a case-by-case basis, including those regarding executive and director compensation plans, mergers and acquisitions, ratification of poison pill plans, a change in Atlas's state of incorporation and an increase in authorized common stock.

Generally, Atlas will vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock. For other proposals, Atlas shall determine whether a proposal is in the best interests of its Clients to maximize long-term shareholder value and may take into account the following factors, among others:

- whether the proposal was recommended by management and the Adviser's opinion of management;
- whether the proposal acts to entrench existing management; and
- whether the proposal fairly compensates management for past and future performance.

Atlas may vote proxies contrary to the recommendations of the Proxy Firm if it determines that such an action is in the best interest of a Client. Atlas will vote proxies in the best interests of Clients, which may result in different voting results on proxies for the same issuer on behalf of different Clients. In exercising its discretion, Atlas may take into account a wide array of factors relating to the matter under consideration, the nature of the proposal and Atlas involved. As a result, Atlas may vote in one manner in the case of one company and in a different manner in the case of another where, for example, the past history of Atlas, the character and integrity of its management, the role of outside directors, and Atlas's record of producing performance for investors justifies a high degree of confidence in Atlas and the effect of the proposal on the value of the investment. Similarly, poor past performance, uncertainties about management and future directions, and other factors may lead Atlas to conclude that particular proposals present unacceptable investment risks and should not be supported. In addition, Atlas also evaluates proposals in context. For example, a particular proposal may be acceptable standing alone, but objectionable when part of an existing or proposed package. Special circumstances may also justify casting different votes for different Clients with respect to the same proxy vote.

For Funds relying on the safe harbor exemption under Section 12(d)(1)(F) under the 1940 Act, all proxies solicited by an Underlying Fund shall be voted in the same proportion as the vote of all other shareholders of the Underlying Fund (*i.e.*, "mirror" or "echo" voting) as required under Section 12(d)(1)(F) of the 1940 Act.

Clients may obtain a copy of Atlas' Proxy Voting Policies and Procedures and information about how their proxies were voted by contacting us at **347-388-2658** or by writing to us at the address noted on the first page of this document.

**Item 18 - Financial Information**

The Adviser is not aware of any financial condition that is reasonably likely to impair its ability to meet its commitments to clients and the Adviser has not been the subject of a bankruptcy proceeding. Atlas does not require pre-payment of client fees and therefore is not required to include a balance sheet herein.