

Value Aligned Research Advisors, LLC

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March 12, 2024

This “**Brochure**” provides information about the qualifications and business practices of Value Aligned Research Advisors, LLC (hereinafter “**VARA**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Ben Hoskin, by email at ben@var-advisors.com. Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

VARA is a registered investment adviser. Registration as an investment adviser does not imply that VARA or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business. The oral and written communications of an investment adviser provide you with information about which you determine to hire or retain an investment adviser.

Additional information about VARA is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Value Aligned Research Advisors, LLC is required to advise client and prospective clients of any material changes to this Form ADV Part 2A Brochure ("Brochure") from our last annual update dated January 24, 2023:

- In June 2023, VARA relocated the Firm's principal place of business to 51 Park Place, Princeton, NJ, 08542.

VARA routinely makes changes throughout its brochure in an effort to improve and clarify the description of its business practices and compliance policies and procedures or in response to evolving industry and Firm practices.

We encourage all recipients to read this brochure carefully in its entirety.

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Item 4: Advisory Business

VARA is organized as a Delaware limited liability company with a principal place of business in Princeton, New Jersey. VARA was founded in 2022 by Ben Hoskin and David Field who are the Managing Members and owners of VARA and direct all activities and operations of the Firm.

Investment Management and Supervisory Services

VARA is an investment adviser which provides investment advisory and financial planning services to certain individuals and entities (each a “**Client**”). Additionally, the Firm provides portfolio management via separately managed accounts (each a “**Managed Account**” and together with a “**Client**”, collectively, the “**Clients**”) to some Clients. A Managed Account is a dedicated separate account owned by a single Client and governed through an investment management agreement (“**IMA**”) between the account owner and VARA. Our firm focuses on serving clients who prioritize charitable giving, such as charitable foundations and individuals with plans to donate a large portion of their net worth over their lifetime.

Financial Planning and Asset Allocation

For certain Clients, VARA provides financial planning services based on the needs of the specific Client. We conduct an information gathering process at the beginning of the engagement, including an interview in-person or online interview, to determine the Client's financial situation, constraints, risk tolerance and investment objectives. Using this information, we propose an investment approach to the Client. We recommend a portfolio consisting of investments including, but not limited to, individual stocks and bonds, preferred stocks, warrants, rights, debt securities (including senior, subordinated, secured, unsecured, and defaulted debt securities), convertible debt securities, convertible preferred stock, including options on the foregoing, exchange traded fund (“**ETFs**”), mutual funds and private investments (as described below). In some cases, we recommend the use of leverage. VARA also evaluates investments into assets that are not publicly traded securities.

While we make best efforts to contact the Client on an ongoing basis to ensure a Client's financial representations and objectives remain up to date, it is the Client's responsibility to notify us, by email or otherwise, of any material changes. The advice we provide is consistent with our understanding of a Client's financial objectives and risk tolerance.

For some Clients we provide comprehensive financial planning; for others we advise only a portion of their exposure, for example public investments.

In some cases, we provide advice on a non-discretionary basis regarding a Client's existing or potential allocation to digital assets.¹ This is limited to advice. This advice focuses on helping clients with existing cryptocurrency positions; in these cases, we discuss their exposures, including how it contributes to their overall portfolio risk and how they can donate it in a tax efficient fashion. We will not provide custody for cryptocurrencies. We will not trade cryptocurrencies on behalf of clients. We will not interact with any blockchain systems, centralized or decentralized exchanges, cryptocurrency wallets, or custodial services on behalf of clients.

¹ The term “digital asset,” as used herein, refers to an asset that is issued and/or transferred using distributed ledger or blockchain technology (“distributed ledger technology”), including, but not limited to, so-called “virtual currencies,” “coins,” and “tokens.” A particular digital asset may or may not meet the definition of “security” under the federal securities laws.

Given the focus of our Client's on charitable giving, we focus on how Clients can maximize their ability to make donations to the causes they support. This includes advising and assisting with foundations and donor advised funds. We may take into account the overall funding situation of the causes or organizations they wish to support.

In general, our Clients retain ownership of all securities and funds they are invested in.

Asset Management

VARA provides Clients discretionary asset management services.

This management will be customized based on the needs of the Client, and varies substantially Client to Client, pursuant to a negotiated IMA.

For some Clients, we provide a Managed Account offering to give Clients concentrated exposure to certain sectors and types of companies. These Managed Accounts attempt to take advantage of our differentiated views on the future returns in the market, especially caused by technological developments and products released by publicly traded companies but also take into account a range of other factors which lead us to expect outperformance of certain assets. Clients will agree to the general strategy and approach, but individual trades are at our discretion unless otherwise consented to by the Managed Account Client.

Private Investment Due Diligence

For some of our Clients, private investments are an appropriate part of their overall asset allocation. For these Clients, we perform due diligence on potential investments, evaluating their risks, potential returns, and suitability for the Client. These investments include private companies, real estate, venture capital funds, hedge funds, or private equity funds. This also includes taking into account the potential social impact of the portfolio companies or other investments in addition to financial returns, based on the investment objectives of the Client. In some cases, a Client brings a potential investment to our attention and requests due diligence; in other situations, we present a potential investment to the Client. Typically, private investments are non-discretionary, meaning the Client makes the final decision to make a private investment. We monitor such investments on an ongoing basis.

Our discretionary investment recommendations and advice with respect to the Clients are subject to the objectives and guidelines, as set forth in the respective IMAs. Our advisory services are tailored to the individual needs of Clients as ascertained in our information gathering process described above. Clients may impose restrictions on investing in certain securities, including prohibitions on purchasing certain securities (such as due to environmental, societal or governance factors ("**ESG Factors**") or on liquidating certain existing holdings.

Clients can terminate investment advisory services after the first anniversary of the date IMA is executed by providing thirty-day (30) written notice, and such termination will be effective upon receipt of such termination notice. VARA in its sole discretion, may waive or modify the termination terms for any Client.

VARA does not participate in wrap fee programs.

Assets under Management (Regulatory Assets Under Management)

As of December 31, 2023, VARA has \$395,868,567 of regulatory assets under management (“**RAUM**”) of which \$395,868,567 are managed on a discretionary basis and \$0 are managed on a non-discretionary basis.

Item 5: Fees and Compensation

VARA’s compensation for the investment advisory services it provides to the Clients is comprised of a fee based on a percentage of assets under management of the Client up to 1% annually (“**Management Fee**”).

The fees and expenses with respect to the Clients are set forth in the investment management agreements between VARA and its Clients. Typically, all management fees are calculated and payable monthly in advance as of the first business day of each calendar month unless otherwise agreed upon by Client. Fees are not charged for services to be performed more than six months in advance. In cases where we have discretionary control over a Client portfolio, we typically deduct fees from their assets; in cases where we provide non-discretionary advice, we typically bill Clients for fees incurred. We are open to negotiation if Clients have desire for either treatment. The Management Fees vary based on the size of the Client’s Managed Account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by VARA and Client, and such terms are outlined in an IMA or separate side letter agreement. VARA in its sole discretion, may waive or modify the Management Fee for any Client.

Hourly Charges

VARA charges an hourly fee based on services provided to certain clients (“**Hourly Charges**”). The terms of this fee is negotiable with Clients; typically, we bill Clients for fees incurred. This billing is done in arrears. VARA, in its sole discretion, may waive or modify the Hourly Charges for any Client.

Fixed Fees

VARA charges fixed fees based on services conducted for Clients (“**Fixed Fees**”). The terms of these fees are negotiable with Clients; typically, we bill Clients for fees incurred. Fixed Fees can be charged in advance or in arrears depending on the agreement with the Client. VARA, in its sole discretion, may waive or modify the Fixed Fees for any Client.

Other Types of Fees or Expenses

VARA is authorized to incur and pay in the name and on behalf of its Clients all expenses which they deem necessary or advisable. Clients incur additional non-VARA fees for custodial services, mutual funds, exchange traded funds, transaction-related expenses (e.g., brokerage commissions, trade away), dealer spreads, exchange fees (“**Trading Costs**”). VARA reviews trading costs as part of the Firm’s best execution analysis. Clients do not incur investment due diligence expenses.

The Firm is responsible for and shall pay, or cause to be paid, all ordinary administrative and overhead expenses, including, all costs and expenses related to rent, furniture, fixtures,

equipment, office supplies, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, personnel of the Firm.

Unless otherwise agreed, Clients pay fees in advance. If the IMA is terminated before the end of the billing period, Clients obtain a refund of the pre-paid fee in proportion to the remaining days in the billing period.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

Neither VARA nor any of its supervised persons accept performance-based fees. As a result, VARA does not face certain conflicts of interest that arise when an investment adviser accepts performance-based fees from some Clients, but not from other Clients.

Item 7: Types of Clients

VARA's Clients are a combination of individuals and entities, including foundations and charitable organizations. VARA provides these Clients with portfolio management through separately managed accounts and/or financial planning services. Typically, VARA only accepts Clients with over \$10 million in assets to invest with us, but we may waive this requirement in some cases.

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

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued, and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Investment Objective

VARA will provide bespoke advice on a broad set of investment-related issues. The Firm will design and implement an investment strategy for each Client tailored on their views, values and constraints. The Firm uses one or more expert networks to inform investment related decisions.

Risk Management

VARA's risk management framework is based on understanding client risk tolerance, diversification (to the extent consistent with return objectives), portfolio monitoring and rebalancing when appropriate. We as a Firm will analyse and assess each potential investment to ensure the risk is consistent with the client objectives and potential returns.

Risk of Loss Factors

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Clients advised by us. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

An investment involves significant risks and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the Offering Documents and the documents referred to herein before deciding to invest with VARA.

Investing in Securities Involves a Risk of Loss

The market price of securities owned by the client may go up or down, sometimes rapidly or unpredictably. All investments made or recommended by us for Clients may decline in value resulting in a loss. This may result in a permanent loss of capital. The values of securities may decline due to general market conditions that are not specifically related to a particular security, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding or other taxes, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which we believe are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame we anticipate.

Key Man Risk

As the owners and managing members of VARA, who direct all activities and operations of VARA, Ben Hoskin and David Field are critical to the VARA's management of Client accounts and the Firm. However, VARA does not maintain possession of Client assets. Accordingly, any succession plan implemented by the VARA or any termination of a Client's agreement with VARA after the departure of Mr. Hoskin and/or Mr. Field would not affect the maintenance of Client assets at the relevant custodian in the name of the Client.

Operational Risk

Operational risk is the potential for loss caused by a deficiency in information, communication, transaction processing and settlement and accounting systems. We maintain controls that

include systems and procedures to record and reconcile transactions and positions, and to obtain necessary documentation for trading activities.

Business Continuity Risk

VARA's business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolong power outages. Although VARA has implemented, or expects to implement, measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on VARA and its ability to manage clients.

Equity Securities

Common stocks and other equity securities generally increase or decrease in value based on the earnings of a company and on general industry and market conditions. The value of a company's share price could decline as a result of poor decisions made by management, lower demand for the company's services or products or if the company's revenues fall short of expectations. There are also risks associated with the stock market overall; in particular, the stock market may experience periods of turbulence and instability.

Mutual Funds, ETFs, and Other Investment Pools

VARA may invest Client Managed Accounts in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds offer diversification; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940, as amended. In addition, pooled investment funds have costs that lower investment returns.

Fixed Income

VARA may invest portions of Client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

Options

VARA may invest portions of Client assets into options, including purchasing or writing put and call options. Investments in options involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include risk: (i) that the counterparty to a transaction may not fulfil its contractual obligations; (ii) of mispricing or improper valuation; and (iii) that changes in the value of the option may not correlate perfectly with the underlying asset, rate or index. Option prices are

highly volatile and may fluctuate substantially during a short period of time. Such prices are influenced by numerous factors that affect the markets, including, but not limited to: government programs and policies; national and international political and economic events, changes in interest rates, inflation and deflation and changes in supply and demand relationships. It is possible that certain options might be difficult to purchase or sell, possibly preventing from executing positions at an advantageous time or price, or possibly requiring disposal of other investments at unfavorable times or prices in order to satisfy a portfolio's other obligations.

Short Sales

We may recommend or engage in short selling of securities, currencies or indices, including all forms of derivatives. A short sale will result in a gain if the price of the instrument sold declines sufficiently between the time of the short sale and the time at which another is purchased to replace it. A short sale will result in a loss if the price of instrument sold short increases or does not decline sufficiently to cover transaction costs. Short sales on equities expose the Client to theoretically unlimited losses, due to the lack of an upper limit on the price to which an investment can rise. Any gain would be decreased, and any loss would be increased by the amount of any premium or interest which the Client may be required to pay with respect to the borrowed instrument.

Concentration of Investments

Based on the investment objectives of certain Clients, assets may not be diversified and, if their assets are concentrated in a particular company, industry, sector, geography or similar category, they would be subject to an increased risk of loss if there was a decline in the market value in any security in which we have invested a large percentage of their assets or there are adverse consequences to such industry, sector, geography or other group of companies.

Trading Risk

An investment in a Managed Account is speculative and involves a high degree of risk. VARA employs certain trading techniques, such as short selling, options trading and the use of leverage, that increase the risk of investment loss. Because the Managed Accounts invest primarily in public equities, VARA believes their primary risk of loss is associated with portfolio construction, security selection and broad market movements. Wide and sudden fluctuations in market value can occur. Prospective investors are strongly urged to consult with their own financial, legal and tax advisors, before investing.

Counterparty Risk

The Managed Accounts will deposit all or substantially all of their assets with its brokers and may choose not to use a bank custodian to hold their assets. Rule 15c3-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") requires a broker-dealer to segregate a customer's cash and fully paid-for securities from the broker-dealer's own assets. If the broker-dealer fails to do so, the Client Accounts will be subject to risk of loss of the assets held by the broker-dealer in the event of the broker-dealer's bankruptcy. In the event of a failure of a broker-dealer used by the Client, the U.S. Securities Investor Protection Corporation provides a maximum of \$500,000 of account insurance per entity, subject to a limit of \$250,000 for cash. If the Managed Account's assets on deposit exceed these amounts, the Clients will receive only a pro rata share of the remaining assets deposited with the failed broker-dealer.

Illiquid Securities; Special Investments

VARA could allocate to securities or other assets that are not readily marketable, including securities of private companies, restricted securities of public companies (*i.e.*, securities the disposition of which are restricted under applicable securities laws), OTC options and certain other derivatives. It could be difficult to readily dispose of illiquid investments in the ordinary course of business as illiquid assets could take a number of years to dispose of. A Client generally will not be able to sell its illiquid investments publicly unless their sale is registered under applicable U.S. federal, state, or other securities laws, or corresponding laws of non-U.S. jurisdictions, unless an exemption from such registration requirements is available. In some cases, a Client may be prohibited by contract or regulatory requirements from selling its investments for a period of time.

Private Funds

Investments in pooled invested vehicles sponsored by third-party managers. VARA will not have an active role in the management of the assets of the underlying funds, including the valuation by the underlying funds of their investments. A Client's ability to withdraw from or transfer interests in such funds is limited. Furthermore, the performance and success of each underlying fund will depend on the management of the underlying manager.

Lack of Liquidity in Markets

The markets for many securities and other investments are thinly traded from time to time. This lack of liquidity and market depth could disadvantage Clients, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Also, U.S. and non-U.S. securities exchanges and the SEC and other regulatory authorities have authority to suspend trading in a particular security without notice.

We may also provide advice to Clients on investment opportunities into assets that are not publicly traded, such as investments into private companies, real estate, venture capital funds, hedge funds, or private equity funds. Any such investments may carry with them substantial risk that the client may not be able to dispose of the assets at the price or time that the client desires.

Leverage

We may recommend or utilise leverage in investing our Clients' assets, including through investing on margin by borrowing funds and pledging securities as collateral. While such use of borrowed funds increases returns if the Client earns a greater return on the incremental investments purchased with borrowed funds than they pay for such funds, the use of leverage decreases returns if the Client fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage therefore results in a greater decrease in the net asset value of funds than if the client were not so leveraged. Any use of short-term margin borrowings will result in certain additional risks. For example, the securities pledged to brokers to secure margin accounts could be subject to a "margin call," pursuant to which the Client would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of a Client's assets accompanied by corresponding margin calls could force us to liquidate assets quickly, and not for what we perceive to be their fair

value, in order to pay off margin debt. In addition, we may engage in certain derivative transactions which implicitly contain leverage and subject Clients to the same risks discussed above.

Cash and Other Investments

Our Clients may keep some of their assets in cash or cash items for investment purposes, pending other investments or as provision of margin for futures or forward contracts. These cash items must be of high quality at the time of investment and may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, high quality commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers deemed to be creditworthy by us. Clients may also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by us at the time of investment.

Private Equity and Venture Capital Fund Investments

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each Client for review and consideration. Unlike liquid investments that a Client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective Client investor will be required to complete a subscription agreement, pursuant to which the Client will establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Private Companies

Private placement offerings are exempt from registration requirements at both the state and federal level, and therefore, no regulator reviews the offerings to make sure the risks associated with the investment and all material facts about the entity raising money are adequately disclosed. Additionally, securities offered through private placements are generally illiquid, meaning there are limited opportunities to resell the security.

Real Estate

The investments in real estate and similar assets are subject to numerous risks. All real estate investments, ranging from equity investments to debt investments, are subject to some degree of risk. Real estate investments commonly experience significant fluctuation in value, which may be caused by local or regional economic, legal, or other market conditions, and are relatively illiquid investments. Therefore, the ability of a Client to vary its real estate portfolio promptly in response to changes in economic or other conditions will be limited. No assurances can be given that the fair market value of any real estate investments held by a Client will not decrease in the future or that a Client will recognize full value for any real estate investment that it is required to sell for liquidity reasons. The value of, and cash flow derived

from, the real estate investments will depend on many factors beyond the control of a Client and VARA. All of a Client's investments in real estate are subject to a complete loss of capital.

Hedge Funds

Investments in hedge funds are subject to various investment-related types of risks, including market risk, strategy risk, and manager risk. Market risk includes unexpected directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, panicked or forced selling of riskier assets, inability for a particular fund to pay for withdrawals or redemptions in a timely manner (due to gates or otherwise), and contraction of available credit or other financing sources.

Strategy risk relates to the failure or deterioration of an entire strategy and can result from excessive concentration in the same investment or broad events that adversely affect particular strategies (i.e., illiquidity within a given market). The portfolio managers of certain hedge funds employ high risk strategies.

Manager risk encompasses the possibility of loss due to manager fraud, intentional or inadvertent deviations from a predefined investment strategy (e.g., "style drift"), or poor judgment or investment decisions. There could be material changes in management of the hedge fund, including changes in control, initial public offerings, and mergers. The effect of such changes on a particular hedge fund manager cannot be predicted but could be material and adverse. Given the limited liquidity of many hedge funds, Clients will not be able to quickly alter their portfolio allocation in response to any such changes, resulting in substantial losses from hedge fund manager risk.

Digital Asset Investments

VARA does not trade cryptocurrencies. We will not provide custody for cryptocurrencies. We will not interact with any blockchain systems, centralized or decentralized exchanges, cryptocurrency wallets, or custodial services on behalf of clients.

Some of our clients have existing exposure to digital assets; in these cases we may discuss their exposures, including how it contributes to their overall portfolio risk. Clients should be aware of the high risks involved with cryptocurrencies.

The investment characteristics of digital assets, including cryptocurrencies, generally differ from those of traditional currencies and securities. Cryptocurrencies are typically not backed by a central bank or private assets. Investments in cryptocurrencies are considerably more speculative than most other investments and carry higher risk of a complete loss of capital.

Certain activities involving cryptocurrencies may require approvals, licences, or registration, which may serve as a barrier to entry of investors, thereby limiting the market for digital assets. Banks and other established financial institutions may refuse to process funds in respect of cryptocurrency transactions or digital asset-related issuers, process wire transfers to or from digital asset exchanges, cryptocurrency-related companies, or service providers, or maintain accounts for persons or entities transacting in cryptocurrencies or other digital

assets. There is no assurance that the investment market for digital assets in general will continue to grow; it may shrink or go to zero.

At present, most cryptocurrency transactions are speculative; there is relatively little use of cryptocurrencies for the purchase of goods and services. This may increase the risk of losses.

Although all on-chain cryptocurrency transactions are logged on a blockchain, a buyer or seller of a cryptocurrency may never know with whom they are transacting because public keys generally do not include identifying information. This can leave investors vulnerable to enforcement actions against their counterparties if the latter are violating applicable laws, and all digital assets transactions carry significant counterparty risk.

Cryptocurrency transactions on a blockchain usually are immutable; once the block has been validated, it typically cannot be undone, even if the transaction was made by mistake, theft, hacking, or coding bug. Similarly, digital assets not held on a centralized exchange can be irrevocably lost if the private key is lost.

A Client may have a high concentration of its cryptocurrency holdings in one location, with one third-party wallet provider or on one exchange, which would increase counterparty risk. Counterparties can be subject to fraud, liquidity issues, or government sanction, among other risks. Exchanges may also halt withdrawals or trading without notice. There is no guarantee that Clients can withdraw the fiat currency they initially deposited on the exchange. Some digital asset exchanges are located outside the US, which can make legal recourse difficult. Cryptocurrencies and other digital assets are not insured by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation.

While cryptocurrencies are in theory designed to make use of advanced cryptography to promote security, this may fail. The code may have been written insecurely, or the incentives may be susceptible to attacks, such as double-spend attacks and 51% attacks.

Valuation

VARA may invest in securities or Private Investments which are illiquid or very thinly traded. These investments may be extremely difficult to ascribe a market value, at specific points of time. Third party pricing information may not be available for certain positions held by Clients.

Economic Conditions

Changes in economic conditions, including, for example, interest rates, inflation rates, currency and exchange rates, industry conditions, competition, technological developments, trade relationships, supply-chain disruptions, economic sanctions, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the investment performance of the Funds. Economic, political and financial conditions, or industry or economic trends and developments, may, from time to time, and for varying periods of time, cause volatility, illiquidity or other potentially adverse effects in the financial markets. Economic or political turmoil, a deterioration of diplomatic relations or a natural or man-made disaster in a region or country where Client assets are invested may result in adverse consequences to such Clients. None of these conditions is or will be within

the control of VARA, and no assurances can be given that VARA will anticipate these developments.

Pandemic Outbreak

The coronavirus pandemic or other similar outbreak and reactions to such an outbreak could cause uncertainty in markets and businesses, including VARA's business, and may adversely affect the performance of the global economy, including causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical absences. VARA has policies and procedures to address known situations, but because a large outbreak may create significant market and business uncertainties and disruptions, not all events that could affect VARA's business and/or the markets can be determined and addressed in advance.

Cybersecurity Risk

VARA's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. The implementation of various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly have been undertaken by VARA. The failure of these systems and/or or disaster recovery plans for any reason could cause significant interruptions in VARA's operations 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 VARA's reputation or subject it or its affiliates to legal claims and otherwise affect their business and financial performance. Additionally, any failure of VARA's information, technology or security systems could have an adverse impact on its ability to manage Client Accounts referred to herein.

This list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in connection with the Firm's investment or the management of client accounts. In addition, prospective clients should be aware that, as the market develops and changes over time, investments on behalf of client accounts may be subject to additional and different risks.

Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Item 9: Disciplinary Information

VARA has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 10: Other Financial Industry Activities and Affiliations

VARA is not affiliated with any other financial industry activities.

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

Neither we nor our management persons are registered as a, and neither of us has any application pending to register with the SEC as a, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

Code of Ethics

Pursuant to Rule 204A-1 of the Advisers Act, VARA has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions. A copy of our Code of Ethics will be provided to any Client or prospective Client upon request.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Clients first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Personal Securities Trading

Employees are permitted to trade “**Non-Reportable Securities**” and, with the exception of providing disclosure of all brokerage accounts held at the time of joining the Firm and annually, employees are not required to report trades of Non-Reportable Securities. Employees may also trade securities so long as no open order for such name is simultaneously outstanding, subject to pre-clearance by the CCO or designee. Employees are prohibited from participating in Initial Public Offerings (“**IPOs**”) or Limited Offerings without receiving approval from the CCO or designee. Employees are also prohibited from personally, or on behalf of the Clients, purchasing or selling securities that appear on the Firm’s Restricted List.

Employees must obtain pre-approval from the CCO before engaging in any outside business activities that may present a conflict with the employees’ duties at the Firm.

We disclose these, and other potential conflicts of interest, where appropriate.

Item 12: Brokerage Practices

VARA is authorized to determine the broker-dealer to be used for executing securities transaction for the Clients. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. It is not our practice to negotiate “execution only” commission rates;

therefore, the Clients may be deemed to be paying for brokerage or other services provided by the broker which are included in the commission rate. VARA does not receive any portion of any commission received by broker-dealers servicing Client Managed Accounts.

We do not receive client referrals from broker-dealers, and we do not consider, in selecting or recommending broker-dealers, whether we or a related person receive client referrals from a broker-dealer or third party.

We also have the authority to select and appoint custodians of the assets of the Clients. The Firm's authority is limited by its own internal policies and procedures and each Client's investment guidelines.

For Client Managed Accounts whereby VARA does not have discretionary authority, under this relationship, VARA consults with the Client prior to executing trades in the Client's Managed Account. If a Client dictates who they choose as custodian, VARA cannot assure best execution of non-discretionary transactions.

Best Execution

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain "**Best Execution**," meaning generally the execution of a securities transaction for a client in such a manner that a client's total costs or proceeds in the transaction are most favourable under the circumstances. Accordingly, in seeking Best Execution, we will take into consideration the price of a security offered by the broker-dealer, as well as a broker-dealers' full range and quality of their services including, among other things, their facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage services provided to us, special execution and block positioning capabilities, clearance, and settlement and custodial services.

Soft Dollars

The Firm does not use soft dollars.

Trade Aggregation and Allocation

In some circumstances, we may seek to buy or sell the same securities at the same time for multiple Client accounts. Although, in some instances, allocating orders among our Clients creates potential conflicts of interest because we receive greater fees or compensation from certain Clients, we will not make allocation decisions based on such interests or greater fees or compensation. Notwithstanding the foregoing and considering our policy to treat all Clients fairly and equitably over time, any particular allocation decision among accounts can be more or less advantageous to any one Client or group of Clients and certain allocations, to the extent consistent with our fiduciary obligations, may deviate from a pro rata basis among Clients in order to address legal, tax, regulatory, fiduciary, risk management and other considerations. In any given circumstance, we will consider client guidelines, the source of the investment opportunity, the nature of the mandate, the timing of a given fund or account's closing, contractual obligations, the respective committed capital of the relevant Clients, legal or regulatory requirements and other considerations, as applicable.

In appropriate circumstances, will aggregate securities trades for multiple Clients, but are not required to do so. In particular, we may decline to do so if we expect it would increase transaction costs due to Trade-Away fees.

Item 13: Review of Accounts

We regularly monitor and analyze the transactions, positions, and investment levels of our Clients to ensure that they conform with the Client's investment objectives and constraints. In these reviews, we pay particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels.

Account Reporting

We perform various periodic reviews of each Client's portfolio. Such reviews are conducted by our officers. Reviews are performed at least once a calendar year. The frequency with which such reviews are conducted is determined based on the nature of each Client's investment portfolio and client objectives. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, including return objectives and risk aversion, and are appropriately positioned based on market conditions, investment policies, and the recommended portfolio allocation. Written reports will be provided to Clients.

We also review Client Managed Accounts more frequently than described above. The factors which may trigger an off-cycle review include major market or economic events, the Client's life events or requests by the Client.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we, nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

VARA is deemed to have constructive custody of Client funds and securities because we have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's Managed Account or otherwise withdrawing funds from a Client's Managed Account.

Fidelity Brokerage Services and Interactive Brokerage are the qualified custodians of nearly all client accounts at VARA. VARA does not maintain physical possession of client funds or securities. The qualified custodians send account statements to Clients if preferred by Client, and allow Client and VARA online access to Client account information. Clients should carefully review their account statements. In some cases, VARA will also send out account statements; if so, Clients should compare the account statements they receive from the qualified custodian with those they receive from us.

Item 16: Investment Discretion

VARA has full discretionary investment authority with respect to certain Client Managed Accounts, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities. Clients may impose restrictions on investing in certain securities or other investments, including prohibitions on purchasing certain securities or on liquidating certain existing holdings. Prior to any such discretionary trading we will obtain written authorisation from the Client (power of attorney/trading authorisation).

VARA monitors non-discretionary accounts for overall Client portfolio analysis, risk assessment and diversification. VARA does not have authority to execute trades in non-discretionary Client Managed Accounts.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the “proxy voting rule”), VARA has adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that will serve the applicable Client’s best interests and is in line with the Client’s investment objectives and charitable objectives. Applied Fund Solutions will handle the vast majority of routine voting and VARA will vote on Proxies deemed to be economically significant.

We take into account various relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

Generally, Clients do not direct our vote in a particular solicitation. However, some Clients, subject to negotiation, retain the right to vote their shares. If so, typically they will receive their proxies or other solicitations directly from their custodian. Clients can contact VARA with questions about a particular solicitation by email to ben@var-advisors.com

VARA could be exposed to potential material conflicts of interest in voting Proxies and will monitor the potential for such conflicts. As noted previously, VARA will vote its Clients’ Proxies in the best interests of its Clients and not subordinate the Clients’ interests to its own. In voting such Proxies, VARA shall endeavour to avoid material conflicts of interest between the interests of VARA, on one hand, and the interests of Clients, on the other.

If a material conflict of interest is identified regarding U.S. listed equity security Proxy voting, it will generally be addressed by VARA by adhering to the public recommendation of a third-party proxy voting advisory service.

Clients may contact VARA’s Chief Compliance Officer at 609-933-2503 or ben@var-advisors.com for a copy of our Proxy voting policies and our Proxy voting record.

Item 18: Financial Information

VARA is not required to include a balance sheet for our most recent fiscal year, is not aware of any financial condition reasonably likely to impair our ability to meet contractual obligations to our Clients and has not been the subject of a bankruptcy petition at any time during the past ten years.