

**Item 1 – Cover Page**

**Form ADV Part 2A Brochure**

**MarketDesk Indices LLC**  
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646-787-0394

**Firm CRD #323393**

**March 15, 2024**

This Brochure provides information about MarketDesk Indices LLC, including its qualifications and business practices. If you have any questions about the contents of this Brochure, please contact us at 646-787-0394. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about MarketDesk Indices LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search the SEC's site using a unique identifying number, known as a CRD number. The CRD number for MarketDesk Indices LLC is #323393.

## **Item 2 – Material Changes**

This section discusses material changes that have occurred. There have been no material changes to this brochure since the last filing on July 7, 2023.

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## **Item 4 – Advisory Business**

### **Formation and Ownership**

MarketDesk Indices LLC is a Limited Liability Company organized in the State of Missouri. The firm was formed in August 2022, and the principal owners are Matthew Clements and Jonathon Clements. MarketDesk Indices LLC is the discretionary sub-adviser (“Sub-Adviser”) to a 1940 Investment Company Act product, MarketDesk Focused U.S. Dividend ETF.

MarketDesk Research LLC is a Limited Liability Company organized in the State of Missouri. The firm was formed in August 2019, and the principal owners are Matthew Clements and Jonathon Clements. MarketDesk Research LLC provides institutional research subscription services to registered investment advisors and other wealth management firms.

### **Integrated Filing**

This Form ADV is an integrated filing for MarketDesk Indices LLC and MarketDesk Research LLC. Both entities are controlled by Matthew Clements and Jonathon Clements, share the same offices, have a single compliance program and management, and thus are treated as a single “registered entity” for all purposes in this Form ADV. Throughout this Brochure, MarketDesk Indices LLC and MarketDesk Research LLC are collectively referred to as “MarketDesk”, “We”, “Us”, or the “Firm”.

### **ETF Sub-Advisory Services**

MarketDesk is the Sub-Adviser to the MarketDesk Focused U.S. Dividend ETF (“FDIV” or the “ETF”) providing sub-advisory services for an annual fee based on the percentage of the value of the assets that are sub-advised.

MarketDesk provides discretionary advice to the adviser to FDIV but is not authorized to initiate any orders to purchase or sell any securities on behalf of FDIV. MarketDesk does not provide personalized advice to individual shareholders of FDIV. Terms of service are outlined in the Sub-Advisory Agreement, while terms of investment are detailed in the Fund’s prospectus. The Sub-Advisory Agreement executed between MarketDesk and the investment adviser of the ETF, Empowered Funds, doing business as Alpha Architect, is the primary governance document which conveys explicit responsibilities and obligations to MarketDesk and its employees relative to portfolio management and monitoring, risk management reporting, and compliance with the Investment Company Act of 1940.

### **Research Services**

MarketDesk provides registered investment advisors and other wealth management firms with a suite of institutional research tools centered around evidence-based investing. MarketDesk focuses on historical data, leading indicators, and statistical probabilities to guide core asset allocation ratings and tactical idea generation.

MarketDesk’s public website ([www.MarketDeskResearch.com](http://www.MarketDeskResearch.com)) provides information about its research subscription services. Research content is only available on the password-protected website ([www.MarketDeskPortal.com](http://www.MarketDeskPortal.com)) for subscribers through an annual or quarterly

subscription. Turnkey solutions include Asset Allocation Tools, ETF Model Portfolios, Stock Model Portfolios, White Label Client Communications, and The Quant Pack.

MarketDesk provides “impersonal advisory services” to its subscribers. Under Rule 206(4)-3(d)(3), impersonal advisory services are defined to be services that do not purport to meet the objectives or needs of specific clients, and statistical information containing no expression of opinions as to the investment merits of particular securities. MarketDesk does not provide personalized investment advice; all content, opinions and recommendations are impersonal and are not tailored to meet individual subscribers’ investment needs.

### **Wrap Programs**

MarketDesk does not participate in wrap fee programs.

### **Assets under Management**

As of the date of this Brochure, MarketDesk has total discretionary assets under management of approximately \$89.2 million. MarketDesk does not manage any assets on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

### **ETF Sub-Advisory Fees**

As noted above, MarketDesk is the discretionary Sub-Adviser to FDIV. The fees payable to MarketDesk (“Sub-Advisory Fee”) are payable from the unitary fee proposed within FDIV and borne by Alpha Architect, the adviser to FDIV. As a discretionary Sub-Adviser, MarketDesk does not receive any portion of commissions, transaction fees, or other brokerage costs generated by FDIV. The Sub-Advisory Fee is calculated daily and levied on a monthly basis, in arrears, based upon the average net asset value of FDIV’s assets per month. The Sub-Advisory Fee, as well as the fees and expenses associated with an ETF investment, are specified in the prospectus.

### **Research Subscription Fees**

MarketDesk subscription fees are flat fees and vary as noted below. Fees are subject to negotiation and may be subject to change with advance notice in accordance with the terms set forth in the subscription agreement.

#### **White Label Insights**

- ◆ Newsletters and charts for Financial Advisors
- ◆ Starts at \$250 per quarter
- ◆ Pricing per firm

#### **Research Tools**

- ◆ Asset class analysis, core ratings, and tactical ideas for Financial Advisors
- ◆ \$600 per quarter
- ◆ Pricing for up to 5 users at the firm
- ◆ Free 14-day trial available

#### Full Platform Access

- ◆ Includes White Label Insights & Research Tools Plus Expanded White Label Insights & Model Portfolios
- ◆ \$825 per quarter
- ◆ Pricing for up to 5 users at the firm
- ◆ Free 14-day trial available

#### The Quant Pack

- ◆ Data subscription with access to proprietary leading indicators
- ◆ \$312 per quarter for 6-month subscription
- ◆ \$250 per quarter for 12-month subscription

Subscription fees are generally payable quarterly in advance. Annual subscription plans are available, but in no situation will MarketDesk collect more than \$1,200 in subscription fees per subscriber, six months or more in advance. Most subscribers pay by credit card, though in limited cases may pay by check, wire, or ACH. Subscriptions automatically renew on the anniversary date of the original subscription date, unless terminated by the subscriber prior to the renewal date.

MarketDesk offers a 14-day trial period at no cost to new potential subscribers for certain subscription services, specifically, Research Tools and Full Platform Access. MarketDesk doesn't require payment information upfront to start the 14-day trial. If the trial user chooses to take out a subscription, the paid subscription period begins after the user signs a subscription agreement and pays the first quarterly subscription fee.

Other than the subscription fees outlined above, there are no other fees or expenses paid by subscribers to MarketDesk's research.

Quarterly subscribers must submit notice of cancellation 15 days prior to the next quarterly renewal date, while annual subscribers must submit notice of cancellation 30 days prior to the next annual renewal date.

#### **Outside Compensation For the Sale of Securities**

Neither MarketDesk nor its employees accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds. In addition to being the Sub-Adviser to FDIV, MarketDesk is also a sponsor of FDIV. In this capacity, MarketDesk has entered into a separate agreement with FDIV's platform adviser to bear the costs and fees of launching FDIV on MarketDesk's behalf. In return for bearing the fees and expenses of FDIV, MarketDesk, as fund sponsor, is entitled to the profits of FDIV, if any, after all expenses of FDIV are paid.

Please see Item 12 of this Brochure for additional information about brokerage-related expenses.

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

MarketDesk does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of any account.

## **Item 7 – Types of Clients**

MarketDesk provides independent investment research and data analytical services primarily to research subscribers, which include other registered investment advisers and broker-dealers. There is no account minimum for any of MarketDesk's services.

As the discretionary Sub-Adviser to the publicly traded ETF (FDIV), MarketDesk only serves the investment adviser to FDIV. The adviser to FDIV is an SEC registered investment adviser and authorized to delegate certain portfolio management duties to MarketDesk by the board of trustees of FDIV. There is no investment minimum applicable to FDIV. ETF investors should refer to the prospectus for more information about investing.

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

### **Methods of Analysis**

MarketDesk employs various types of investment analysis and data gathering methods. We may use methods, including, but not limited to: Technical, Quantitative, and Fundamental analysis. There is a risk of loss of the value of the securities discussed on our research platform.

- ◆ Technical analysis involves the analysis of past market data, primarily price and volume.
- ◆ Quantitative analysis deals with measurable factors as distinguished from qualitative considerations (such as the character of management or the state of employee morale), including the value of assets, the cost of capital, historical projections of sales, etc.
- ◆ Fundamental analysis involves the analysis of financial statements, regulatory filings, the general financial health of companies, and/or the analysis of management or competitive advantages.

MarketDesk designs and develops quantitative strategies, which power its rule-based model portfolios. The rules mostly differ for each investment strategy and address the objective of the investment strategy, type and universe of securities to buy or sell, the frequency and timing of rebalancing, the percentage or amount of a security to hold, the specific securities to buy or sell, and other such considerations. MarketDesk's investment strategies, including the strategy implemented in the ETF, rely on MarketDesk's quantitative models, which include a combination of fundamental data and quantitative analysis.

### **Risk of Loss**

Investing in securities involves risk of loss that subscribers and investors should be prepared to bear. Past performance is not indicative of future results. The following list of risks associated with

investing is not exhaustive, but rather highlights some of the risk factors inherent in the use of our research platform or the risk associated with investing in the underlying securities associated with our research.

- ◆ **Technical Analysis Risk.** Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.
- ◆ **Quantitative Analysis Risk.** Investment strategies based on quantitative analysis may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.
- ◆ **Fundamental Analysis Risk.** Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. Fundamental analysis would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.
- ◆ **Model Risk.** All quantitative analysis carries a risk that the model used might be based on one or more incorrect assumptions. Rapidly changing and unforeseen market dynamics could also lead to a decrease in short term effectiveness of MarketDesk's models. No assurance can be given that the investments will be successful under all or any market conditions.
- ◆ **Turnover Risk.** Tactical investment strategies tend to have higher portfolio turnover than strategic or passive investment strategies. A higher portfolio turnover will result in higher transactional and brokerage costs and may result in higher taxes when an investor's investments are held in a taxable account.
- ◆ **Stale or Inaccurate Information Risk.** MarketDesk research and analytical tools depend on the integrity of source information. Analytical tools use quantitative analyses and could be adversely affected if erroneous or outdated data is utilized.
- ◆ **Equity Security Risk.** The value of an equity security fluctuates in response to the activities of an individual company or in response to general market and/or economic conditions. The market value of an equity security is based on the market's perception of value and not necessarily the book value of an issuer or other objective measures of a company's worth.
- ◆ **Small and Mid-Capitalization Company Risk.** Equity investments in smaller companies involve added risks such as limited liquidity and greater fluctuation than that experienced by larger companies, which may impact the ability to sell these investments at a fair and competitive price in a timely manner.



- ◆ **Foreign Security Risk.** Investments in foreign securities may introduce greater volatility to portfolios than domestic securities. Additional risks include political risk, currency translation risk, and lack of transparency (accounting methods, regulatory reporting requirements, shareholder protection rules, etc.). These factors may result in large price swings of foreign security investments, and greater risk of loss.

### **ETF Investment Strategy and Risk of Loss**

FDIV's investment strategy is to seek capital appreciation with a higher dividend yield compared to a broad-based index of U.S. large-cap dividend paying securities. MarketDesk employs a multi-step, quantitative, rules-based methodology to identify a portfolio of approximately 60 to 80 U.S. equity securities that pay dividends and have the potential for capital appreciation. A security is considered to have the potential for capital appreciation when it trades at a price below the price at which MarketDesk believes it would trade if the market reflected all factors relating to the company's worth.

Investing in securities involves risk of loss that investors should be prepared to bear. Please see the FDIV prospectus for a complete discussion of the investment strategy and risks associated with an investment.

### **Item 9 – Disciplinary Information**

Neither MarketDesk nor its affiliates have been subject to any disciplinary action, whether criminal, civil, administrative, or regulatory, required to be disclosed in this Item. Likewise, no persons involved in the management of MarketDesk have been subject to such action.

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

Neither MarketDesk nor its employees are registered as, or have pending applications to become, a Broker/Dealer, Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person or representative of the foregoing entities.

In addition to being the Sub-Adviser to FDIV, MarketDesk is also a sponsor of FDIV. In this capacity, MarketDesk has entered into a separate agreement with FDIV's platform adviser to bear the costs and fees of launching FDIV on MarketDesk's behalf. In return for bearing the fees and expenses of FDIV, MarketDesk, as fund sponsor, is entitled to the profits of FDIV after all expenses of FDIV are paid.

As noted above, MarketDesk publishes content regarding securities through its subscription services. This content is published on MarketDesk sites and through subscription newsletters. MarketDesk's content and communications may affect the prices of securities held by FDIV. We mitigate conflicts of interest between investment research and the ETF by maintaining internal controls related to content publication and FDIV rebalancing timing, and by monitoring personal trading activity of employees. A primary mitigator of this conflict of interest is FDIV's monthly rebalancing schedule and the screening of securities' liquidity for inclusion in the investment

universe, which requires companies to have an average daily traded volume of more than \$25 million over the last three months.

MarketDesk does not select other investment advisers on behalf of research subscribers or FDIV.

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

### **Code of Ethics**

All MarketDesk personnel must act in an ethical and professional manner. As required by the Investment Advisers Act of 1940, MarketDesk has adopted a Code of Ethics (the “Code”) to specify and prohibit certain types of transactions deemed to create conflicts of interest (or at least the potential for or the appearance of such a conflict), and to establish reporting requirements and enforcement procedures relating to personal trading by MarketDesk access persons. MarketDesk’s Code covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, and Sanctions. MarketDesk will provide a copy of its Code of Ethics upon request at 646-787-0394.

### **Participation or Interest in Client Transactions**

As disclosed in Item 10 above, as Sub-Adviser to and sponsor of FDIV, MarketDesk has a material financial interest in transactions occurring in FDIV. However, MarketDesk does not provide personal investment advice to any MarketDesk website visitor or research subscriber and does not personally recommend to any research subscriber that he/she/they invest in FDIV, nor does any employee of MarketDesk receive compensation for securities transactions.

### **Personal Trading**

From time to time, MarketDesk employees may buy, hold, or sell securities for themselves that are tracked or discussed on MarketDesk research sites or that are purchased, held, or sold in FDIV. This may provide an opportunity for employees of MarketDesk to buy or sell the same securities before or after tracking or discussing the same securities on the MarketDesk websites, or prior to making recommendations to FDIV. Such actions could result in MarketDesk employees unduly profiting from research platform content, the timing of its publication, or FDIV transactions, which is a conflict of interest.

The Firm’s Code of Ethics contains restrictions designed to prevent employees from engaging in personal trading practices that place their interests ahead of the interest of research subscribers or the ETF. To mitigate conflicts of interest, the timing and content of unpublished research may not be disclosed by any means to unauthorized persons, either inside or outside of MarketDesk, until the information is broadly disseminated to subscribers. Employees are prohibited from personally trading on information contained in unpublished research materials and further, are prohibited from tipping others or arranging transactions on behalf of others on the basis of such information. Employees are not permitted to offer or accept any inducement for the production of favorable

research, including selective disclosure by an issuer or investor of material information not generally available. MarketDesk will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

To further mitigate such conflicts, employees are required to report personal securities holdings and transactions as a means to minimize potential conflicts. In certain cases, pre-approval of personal securities transactions is also required under the Code of Ethics.

MarketDesk and its employees are prohibited from "front-running," that is, the purchase or sale of securities for their own account on the basis of their advance knowledge of research content or FDIV's planned trading activity. Furthermore, the ETF is generally rebalanced monthly, which serves to mitigate the personal trading conflicts related to the ETF.

## **Item 12 – Brokerage Practices**

MarketDesk does not manage securities accounts or portfolios for research subscribers. Research subscribers bear all transaction costs and commissions associated with their personal investment decisions and transactions. MarketDesk does not recommend broker-dealers to subscribers, nor share in transaction costs or commissions paid by research subscribers to their chosen broker-dealers, custodians, or trade counterparties.

On behalf of FDIV, MarketDesk does not select, nor recommend broker-dealers for effecting trades. Trade execution and all decisions related to trade execution on behalf of FDIV are handled by the adviser to FDIV.

MarketDesk does not use or benefit from "soft dollars". The term "soft dollars" refers to the receipt by an investment adviser of products and services provided by brokers, without any cash payment by such investment adviser, based on the volume of revenues generated from brokerage commissions for transactions executed by the investment adviser.

MarketDesk does not engage in directed brokerage arrangements.

## **Item 13 – Review of Accounts**

MarketDesk does not provide personalized investment advice and does not have access to research subscribers' portfolios. Subscription agreements outline the types of data, information, tools and reports available to subscribers based on their chosen level of subscription.

As Sub-Adviser to FDIV, MarketDesk monitors the ETF's holdings on a continuous basis and generally expects to recommend rebalancing changes to FDIV's portfolio monthly. FDIV investors should consult the prospectus for more information about portfolio monitoring activities, as well as available reports associated with an investment.

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

MarketDesk does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to MarketDesk clients.

At this time, MarketDesk does not use third-party marketers.

## **Item 15 – Custody**

MarketDesk does not have custody of any subscriber assets. Furthermore, MarketDesk, as the discretionary Sub-Adviser to FDIV, does not have custody of FDIV assets.

## **Item 16 – Investment Discretion**

MarketDesk does not manage securities accounts or portfolios for any research subscriber, and therefore has no discretion over such assets.

As noted above, MarketDesk provides discretionary advice to Alpha Architect, the adviser to FDIV. The Sub-advisory Agreement gives MarketDesk the authority to recommend portfolio positions and the timing of those positions to be traded (subject to restrictions set forth in the applicable Sub-advisory Agreement and FDIV's prospectus and statement of additional information). The trading and execution of those recommendations are conducted by Alpha Architect.

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

MarketDesk does not retain the authority to vote proxies on behalf of any client, research subscriber or FDIV, nor does MarketDesk advise any party on how proxies should be voted.

## **Item 18 – Financial Information**

MarketDesk does not accept prepayment of more than \$1,200 in fees per subscriber, six (6) months or more in advance.

MarketDesk is not aware of any financial condition that is likely to impair its ability to meet its contractual commitments to its subscribers or FDIV. MarketDesk (or any of our directors, officers, principals, or affiliates) has never been the subject of a bankruptcy petition.