

## **truEdge Asset Management, LLC**

### **Form ADV Part 2A**

484 E Carmel Dr, #137  
Carmel, IN 46032  
March 30, 2024

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This Form ADV Part 2A (the “Brochure”) provides information about the qualifications and business practices of truEdge Asset Management, LLC (“truEdge” or “Firm” or “we”). If you have any questions about the contents of this Brochure, please contact us our Chief Compliance Officer, Justine Kidwell, at (317) 975-3787.

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.

truEdge is a registered investment adviser. Registration of an Investment Adviser does not imply that truEdge or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

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

## **Item 2 – Material Changes**

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This Item discusses only specific material changes that are made to this Brochure and provides clients with a summary of such changes.

Pursuant to SEC rules, if there are material changes to the Brochure, truEdge will provide a summary of any material changes to its Brochure within 120 days of the close of its fiscal year. truEdge may also provide information about material changes to clients at other times during the year, if necessary.

We will provide you with a new Brochure, at any time, without charge.

Currently, our Brochure may be requested by contacting truEdge at 317-975-3787. Our Brochure is also available on our web site (<http://www.TruEdgeAM.com/ADVPart2A>), free of charge.

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## Item 4 – Advisory Business

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truEdge Asset Management, LLC (“truEdge”) is a limited liability company organized in 2022 that provides investment management and investment advisory services through independent (“Advisor(s)”) for use with Advisors’ clients (each a “Client”) and individual clients of truEdge. The Firm is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940 (“Advisers Act”).

truEdge operates a Turnkey Asset Management Platform (“TAMP”) and provides digital advisory tools that investment advisors rely on for managing their client accounts. In a TAMP, clients typically work directly with their primary investment advisor to determine their investment needs given their unique circumstances. The primary investment advisor then relies on truEdge to purchase and sell securities, monitor investments, and perform various other functions. This enables investment advisors to focus their efforts on the individual needs of their clients. Typically, advisors will engage with truEdge in a sub-advisory capacity, however in certain circumstances clients will work directly with truEdge.

Our model marketplace third-party models from industry-leading providers. Through our TAMP and model universe, we ensure advisors have compliant and scalable solutions to fit virtually any client need. Additionally, we offer our direct indexing models.

truEdge, as a Registered Investment Advisor, consulting to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, business entities and corporations (the “client” or “client account”). When investing model portfolios, truEdge generally has the discretion to determine when to purchase or sell securities. Models are updated and rebalanced within 24 hours of the issuance of a change to the model by the Manager.

When creating portfolios for clients, our recommendation is based on each client’s needs, portfolio restrictions, if any, and financial goals and risk tolerances. We typically offer advice regarding equity securities (including exchange-listed, over the counter and foreign issuers), corporate debt, commercial paper, certificates of deposit, municipal securities, investment company securities, and U.S. government securities, option contracts on securities, and real estate funds.

truEdge will work with the client to complete an investor profile questionnaire that discusses the client’s financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. Along with client discussions, this process enables us to determine the portfolio best suited for the client’s investment objectives and needs. Once the client’s investment portfolio has been designed and investments have been allocated, we will provide ongoing portfolio review and management services.

truEdge participates in a wrap fee program for some investment advisory relationships.

There is no difference between the way we manage those accounts and any other account we manage. We receive a portion of the wrap fee for the services we provide.

We provide investment advice on either a discretionary or non-discretionary basis. As of December 31, 2023, truEdge managed \$280,798 of regulatory assets on a discretionary basis and \$0 million of regulatory assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

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The maximum advisory fee charged to clients is 2% of the assets under management.

In a sub-advisory relationship, fees are typically determined by an agreement between the primary investment advisor and truEdge. In a direct advisory relationship with truEdge, the fee charged is determined by an agreement between truEdge and the end client. Fees charged are typically not negotiable however exceptions are made depending on the relationship's facts and circumstances.

Each investment advisor in a sub-advisory relationship with truEdge can select the billing methodology and timing of their choice. Some clients have their investment advisory fees debited by us, and other client's investment advisory fees are included in the fee charged by their investment advisor. Typically, our management fee is charged monthly. Any change in billing methodology must be mutually agreed upon by the client's investment advisor and truEdge.

truEdge and each client's investment advisor may mutually agree to debit fees in advance of the services provided. Should an investment advisory relationship end prior to completion of the advance billing period, clients are entitled to a refund for unearned investment advisory fees. For all fee refunds, the amount of each client's refund is calculated based on the following inputs: dollar value of the account, number of days in the billing period elapsed, and billing rate. truEdge will calculate the fee refund and facilitate a credit to the client for it. Given the unique aspects of each client's billing configuration, the inputs used may vary.

Client accounts are held at a qualified custodian. Qualified custodians charge various fees that are in addition to fees charged by truEdge. These fees include but are not limited to, ticket charges, trade commissions, and other transaction fees. Note that certain qualified custodians may no longer charge ticket charges nor trade commissions, however that is determined by each client's unique relationship with their custodian. Please see **Item 12 – Brokerage Practices** for more detailed information.

The individual investments held within each client's account may charge fees in addition to the fees charged by truEdge and each client's qualified custodian. For example, ETFs typically charge management fees to cover their investment advisory functions as well as fees for operating and administrative expenses. These fees, typically referred to as an "Expense Ratio", are generally deducted from the investment value and are not charged by truEdge. Clients should read each investment's prospectus or similar document to obtain a detailed understanding of its fees and expenses as well as other important information.

Clients are responsible for all custodial fees and any fees associated with mutual funds and other

transactions unless the account is subject to a wrap program.

When truEdge calculates an asset-based fee, the value of the assets is calculated using the price maintained within our platform. In certain circumstances, a particular security may have different prices at different pricing sources. truEdge's platform only maintains a single price for each security for each day. Each client's custodian may use a different pricing source than truEdge and therefore the prices used in a client's custodial statement may not be the same as the truEdge platform. Therefore, the asset-based fee charged to a client account may be different than if that fee was calculated using the prices obtained directly from the client's qualified custodian.

Each financial advisor using the truEdge platform has the ability to choose unique billing settings for their client's portfolios. The billing settings are highly customizable, and also include the ability to bill on cash, among other settings. Additionally, each advisor may choose to calculate their fees in arrears or in advance and may calculate the billable value using the average daily value, or start or end of period values. By default, all assets in client accounts are billed on net of margin balances. Any changes to an advisor's standard billing rates and practices are directly negotiated between the advisor and their end client. Clients should read their investment management agreement closely and understand their financial advisor's billing settings.

## **Item 6 – Performance Fees**

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truEdge does not charge performance-based fees for advisory clients.

## **Item 7 – Types of Clients**

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As described in **Item 4 – Advisory Business** of this Brochure, truEdge is both a technology provider and registered investment advisor. We offer a comprehensive suite of services directly to other registered investment advisors and advisory services directly to end clients. Depending on our relationship with the investment advisor, our relationship with the end client may be either through a solicitation arrangement, sub-advisory agreement, co-advisory agreement, or direct advisory contract. End clients are generally individuals, high net worth individuals, trusts, family offices, corporations, and other business entities.

truEdge generally requires a minimum account size of \$10,000 for direct advisory or solicited clients. We reserve the right to negotiate fees or accept accounts below our stated minimums.

## Item 8 – Methods of Analysis, Sources of Information, Investment Strategies, Risk of Loss

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truEdge's Asset Management business is designed to provide flexibility and choice when it comes to investment management.

truEdge offers financial advisors the ability to build and manage their own model portfolios, invest in third-party model portfolios, or use direct indexing. A *model* is a collection of individual securities specifically chosen with the goal to achieve a particular investment objective. The decision about which model(s) to offer is made at the sole discretion of each client's financial advisor.

- (1) **"Advisor-managed" models:** The financial advisor is the portfolio manager. These model portfolios consist of one or more investments in single stocks, ETFs and/or mutual funds. truEdge has no investment discretion and does not choose the securities included in these models.
- (2) **"Third-party" models\*:** A third-party asset manager or strategist is the portfolio manager. We offer a curated list of third-party asset managers.
- (3) **"Direct Indexing":** Uses a broad-market index to create a model that behaves in the same manner as the index being modeled.

\*In instances where truEdge uses an unaffiliated sub-advisor to manage the assets of an end-client, end-clients have the choice to receive the sub-advisor's Form ADV Part 2A directly or have truEdge receive it on the end-client's behalf. Unless instructed otherwise, truEdge will receive the sub-advisor's Form ADV Part 2A on behalf of the end-client. truEdge regularly monitors all sub-advisor's Form ADV Part 2A and will disclose any material conflicts of interest or concerns that we identify. Should an end-client want to view any sub-advisor's Form ADV Part 2A, we remind them that they are available at <https://adviserinfo.sec.gov/>.

### 1) **ADVISOR MANAGED MODELS**

The advisor creates and manages their own model portfolio consisting of investments such as single stocks, ETFs and/or mutual funds. The investment advisor uses their own independent analysis to determine which securities to invest client assets in and which models to offer to their clients. truEdge has no discretionary investment authority over those assets.

### 2) **THIRD-PARTY MODELS**

Financial Advisors can also request access to third-party models that aren't on the truedge model platform. At truEdge's discretion, the investment team can add the requested third-party managers to our "Access" model program. For "access" models, the financial advisor is responsible for the investment due diligence.

### **3) Direct Indexing**

Financial Advisors can select Direct Indexing as an option for investing client assets. This allows a client to have access to a model option that behaves in a similar manner to a broad-market index while, at the same time, allow for customization through individual security ownership.

### **Risk of Loss Factors**

Investing in securities involves risk of loss that clients should be prepared to bear. Clients may lose some or all of their principal and generate less income than anticipated or no income at all. In general, risks include: market risk, interest rate risk, issuer risk, liquidity risk, and general economic risk. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that the future anticipated performance of any investment will occur.

The following are material risks related to our investment strategies. This list does not purport to be a complete enumeration or explanation of every possible risk associated with our investment strategies.

#### **Portfolio Turnover**

Depending on the investment strategy selected, it is possible that truEdge will need to trade in and out of securities frequently. If the investment strategy selected requires this, transaction-related charges may negatively impact the portfolio return.

#### **Small to Medium Capitalization Companies**

truEdge may invest a portion of client assets in the stock of companies with small to medium- sized market capitalizations. While truEdge believes these investments often provide significant potential for appreciation, those stocks (particularly smaller-capitalization stocks), involve higher risks in some respects relative to investments in stocks of larger companies. For example, prices of such small-capitalization stocks are often more volatile than prices of large-capitalization stocks. In addition, if the stock is not traded frequently, there is a chance that the purchase price or sale price will be impacted by the lack of liquidity.

#### **Lack of Diversification**

Client portfolios may not be widely diversified among sectors, industries, geographic areas or types of securities. Further, client portfolios may not necessarily be diversified among a wide range of issuers. Accordingly, the portfolios will be subject to more rapid change in value than would be the case if the portfolio was highly diversified.

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

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truEdge does not have any disciplinary information to disclose in this section. Specifically, there are no criminal or civil actions, administrative enforcement proceedings, or self-regulatory organization enforcement proceedings to be disclosed.



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

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truEdge also provides other products and services to Advisors and other financial professionals in the role as a third-party service provider to assist them with administering their business needs.

### **Reporting Services**

truEdge offers reporting and data aggregation services to allow Institutions and Advisors the ability to monitor their clients' accounts. Advisors are able to examine their clients' holdings, allocation of assets and portfolio performance. Performance reporting is calculated according to industry standards and is applied to each account or combination of several related accounts for a household's or family's assets.

### **Back Office Processing/ Billing and Custodial Services**

truEdge provides back-office functions including daily account reconciliation. truEdge uses electronic data feeds from trading/clearing/custodial firms to streamline the account reconciliation process.

truEdge's billing software automates billing for Institutions and Advisors. The Platform can accommodate a billing structure to include house-holding of accounts to capture scaling rates, several layers of combined accounts and assets, flat fee billing, credits, advance or arrear billing, daily weighted average billing and event triggered billing. Advisors are expected to confirm billing accuracy and notify truEdge if errors are noted.

### **Other Affiliations**

truEdge has arrangements that are material to its advisory business or its Clients with a related entity. truEdge is under common control with the following entities that are engaged in the securities or investment advisory business. Certain directors and members of executive management of truEdge also serve as directors and/or executive management of these entities: Financial Services Holdings and Bristol Lane Group.

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

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### **Code of Ethics & Personal Trading**

truEdge employees or related persons may have accounts with investment managers that truEdge recommends to Clients as part of its investment programs. This means that truEdge employees or related persons may buy or sell securities that Clients also own in their accounts. Investment decisions for truEdge personnel may not be made at the same time or in the same manner as those

made for Clients. truEdge or a related person of truEdge may purchase or sell securities that are recommended to or purchased or sold for Clients. Personal securities transactions by persons identified as access persons with truEdge are subject to truEdge's Code of Ethics. The Code of Ethics includes various reporting, disclosure and approval requirements, described in the summary below. truEdge designed these requirements to prevent or mitigate actual or potential conflicts of interest with Clients. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the Code of Ethics is a condition of employment.

In accordance with Securities and Exchange Commission rules relating to recordkeeping by investment advisors, truEdge requires all Access Persons provide quarterly disclosure of all securities transactions identified in the Code of Ethics as "Reportable Securities" transactions. truEdge further requires that all brokerage account relationships be disclosed, that truEdge receive duplicate confirmations of transactions and custodial account statements, and annual certifications of compliance with the Code of Ethics from all access persons. Transactions in U.S. government securities, bankers acceptances, bank certificates of deposit, commercial paper, high quality short-term instruments, including repurchase agreements, index-based futures/options, options/futures on treasury notes and bills or currency options/futures, shares of open-end mutual funds and commodities are excluded from the reporting requirements.

The responsibilities of truEdge's Chief Compliance Officer (or designee) include overseeing the regular monitoring and verification of compliance of covered persons with the requirements of the Code of Ethics, and reporting material violations to truEdge's senior management. Covered transactions of the Chief Compliance Officer will be approved by another officer (or designee) of truEdge. In addition to reporting and recordkeeping requirements, the Code of Ethics imposes various substantive and procedural restrictions on Reportable Securities transactions. The Chief Compliance Officer may recommend to management the imposition of more severe sanctions, including suspension of personal investing privileges, or termination of employment, in the case of certain types of violations.

A copy of truEdge's Code of Ethics can be obtained by contacting truEdge at [compliance@truedgeam.com](mailto:compliance@truedgeam.com)

## **Item 12 – Brokerage Practices**

truEdge does not maintain custody of your assets that we manage or on which we advise, Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to. While we require that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below

as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Schwab, then we cannot manage your account. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors. By using another broker or dealer you may pay lower transaction costs.

Adviser utilizes Charles Schwab for some services. Charles Schwab is a member FINRA/SIPC. Charles Schwab is an independent, and unaffiliated, SEC registered broker-dealer. Charles Schwab offers independently registered investment advisers services which include custody of securities, trade execution, clearance, and settlement of transactions. truEdge receives economic benefits from Charles Schwab through its participation in these programs.

truEdge participates in Charles Schwab customer program and truEdge recommends Charles Schwab to clients for custody and brokerage account services. There is no direct link between truEdge’s participation in the program and the investment advice it gives to clients, although truEdge receives economic benefits through its participation in the program that are typically not available to Charles Schwab retail investors. These benefits may include one or more of the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving truEdge participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services. These benefits received by truEdge, or its associated persons, do not depend on the amount of transactions directed to Charles Schwab.

truEdge also receives certain additional economic benefits (“Additional Services”) that may or may not be offered to any other independent advisers participating in that program. The Additional Services include payment for services provided by vendors for transition management, platform license fees, account data, technology, and trading. The payment for these services has economic value to truEdge. Charles Schwab provides the Additional Services to truEdge in its sole discretion and at its own expense, and truEdge does not pay a

fee to Charles Schwab.

truEdge and Charles Schwab have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provision of the Additional Services. truEdge’s receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to truEdge, Charles Schwab considers the amount and profitability to Charles Schwab of the assets in, and trades placed for, the truEdge’s client accounts maintained with Charles Schwab when determining whether to provide or continue providing Additional Services to the truEdge. Charles Schwab has the right to terminate the Additional Services Addendum with truEdge, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain Additional Services from Charles Schwab, truEdge may have an incentive to recommend to its clients that the assets under management by truEdge be held in custody with Charles Schwab and to place transactions for client accounts Charles Schwab. truEdge’s receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including to seek best execution of trades for client accounts. truEdge’s recommendation that clients maintain their assets in accounts at Charles Schwab may be based, in part, on benefits provided to truEdge or by the availability of some of the foregoing products and services and not solely on the custody and brokerage services provided by Charles Schwab, which creates potential conflicts of interest. truEdge believes, however, that taken in the aggregate, truEdge’s recommendation of Charles Schwab as custodian and broker is in the best interests of clients. truEdge’s recommendation is primarily supported by the scope, quality, and price of Charles Schwab’s services, and not Charles Schwab’s services that benefit only Adviser.

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### **Best Execution**

As a fiduciary, the Firm has an obligation to seek best execution of transactions under the circumstances. To fulfill this duty, truEdge must seek to execute securities transactions for clients in such a manner that total costs or proceeds in each transaction are the most favorable under the circumstances.

Best execution is determined on a trade-by-trade basis and will result in the best qualitative execution, not necessarily only the lowest possible commission cost. In selecting brokers and dealers to effect portfolio transactions for the clients, we will consider such factors as the ability of the brokers or dealers to effect the transactions, their capabilities, reliability, and financial responsibility, among other factors.

Clients have different investment strategies, objectives, and parameters, therefore, it is possible that certain Clients may hold securities that other clients do not, or certain Client accounts may be long a particular security while others may short that same security. truEdge will treat all clients fairly and equitably when allocating investment opportunities such that no client is favored over another.

### **Order Aggregation**

Aggregated or “batched” trades will be used to facilitate best execution, which includes negotiating more favorable prices, obtaining more timely or equitable execution, or reducing overall commission

charges. All clients participating in the aggregated order will receive an average share price. Orders are aggregated using the following procedure:

1. All accounts that require a transaction in a particular security are identified and the trade is appropriately sized.
2. All participating accounts are blocked into their respective groups. Various factors determine which accounts are permitted to be traded in block. Those factors include, but are not limited to: custodian, custodian master account association, designated broker, and account size.

At the trader's discretion, orders created after a particular block is created may be combined with the block if it will not materially disadvantage the clients in the existing block order. However, such a process is not a requirement. Additionally, at the trader's discretion, accounts requiring trades to be placed prior to the execution of a block trade (i.e. time sensitive wire, unexpected cash raise needed prior to market close, etc.) may be executed on demand and therefore not participate in a block order.

When executing trades, truEdge uses a broker rotation program. The order in which trades are executed is set in advance and the rotation order is advanced each day. The broker rotation program attempts to ensure that no particular client account or advisory relationship receives preference when executing trades. At the trader's discretion, the broker rotation order may be altered if placing trades in that order would materially disadvantage another client/batched order. Examples necessitating altering the broker rotation schedule include but are not limited to, a particular broker encounters technical problems and is temporarily unable to receive orders, a block trade is not complete or is only partially complete at the start of particular order execution window, a block contains a security that will require extended execution time and therefore delay the execution of other orders, among other reasons.

truEdge may also cause a client to buy or sell securities directly from or to another client. If such a cross-transaction is executed, we will ensure that no client is disadvantaged and we will not receive compensation for doing so.

Clients are permitted to specify the broker used to trade their account. This is often referred to as "directed brokerage." If a client does direct brokerage, the client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

truEdge executes trades with multiple custodians. Whenever possible, truEdge will transmit trades directly to each custodian's brokerage desk using electronic FIX trading connectivity in accordance with our broker rotation program. However, in instances where FIX trading connectivity is not available or is not prudent given the circumstances surrounding the trade, truEdge may use each custodian's own order management system. When using their order management system, trades are aggregated at the custodian and executed at the close of specific order aggregation windows. Trades executed at the custodian through their order management system will not utilize our broker rotation program. Clients should understand that trades executed at the custodian are executed using the custodian's own trade execution procedures and begin trading at specific times that the custodian determines. Clients should understand that truEdge's broker rotation program generally targets trade execution at specific times and those times may consistently be either before or after the custodian's execution times. This may cause accounts that are held in custody at the custodian,

and traded using the custodian's order management system, to either consistently trade before or after those that are held in custody at other custodians.

### **Soft Dollars**

The term "soft dollar" arrangements is generally used to describe an agreement that involves a transaction between an investment adviser and a broker-dealer, whereby a broker-dealer provides the investment adviser with research or other services or products in return for commission dollars paid for executing transactions for client accounts. In providing research services, the broker-dealer may produce these "in-house" or obtain them externally from third-parties.

Research products and services provided may include research reports on particular industries and companies, economic surveys and analyses, financial and industry consultants and advisors, etc.

Currently truEdge does not receive any soft dollar benefits. However, it is truEdge's policy to stay within the safe harbor provisions of 28(e) Securities Exchange Act of 1934 should the Firm do so in the future.

### **Item 13 – Review of Accounts**

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All Client accounts in a direct advisory relationship with truEdge are reviewed on at least an annual basis to ensure conformity with Client objectives and guidelines unless the client and advisor mutually agree otherwise. These accounts are regularly monitored in response to changes in investment objectives by the client or as deemed appropriate in light of market conditions. For all accounts, we periodically review them to ensure consistency with the model selected. Reviews are performed by members of truEdge's trading operations team whose compliance with SEC rules and regulations is ultimately overseen by the CCO.

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

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We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. We benefit from the products and services provided because the cost of these services would otherwise be borne directly by us, and this creates a conflict. You should consider these conflicts of interest when selecting a custodian.

truEdge, may inadvertently receive Rule 12b-1 fees from mutual funds in which Clients invest. Any fees inadvertently received shall be returned to the fund company or rebated to client account.

### **Item 15 – Custody**

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The amended and revised Rule 206(4)-2 of the Advisers Act (the "Custody Rule") sets forth extensive requirements regarding possession or custody of client funds or securities. The Custody Rule requires advisers that have custody of client securities or funds to implement a set of controls designed to protect those client assets from being lost, misused, misappropriated, or subject to financial reverses.

Advisers with custody of client funds and securities must maintain them with “qualified custodians.” Qualified custodians under the amended rule include banks and savings associations and registered broker-dealers.

truEdge does not maintain direct custody or possession of any of its client’s funds or securities. Through this arrangement, the custodians will provide, among other things, clearing, custodial, brokerage and record keeping services. Clients will receive statements from their qualified custodians at least on a quarterly basis. Clients are urged to compare the statements received by truEdge to the statements received by their qualified custodians.

## **Item 16 – Investment Discretion**

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Prior to truEdge providing investment management services, the client will be required to fill out paperwork that sets forth the terms and conditions under which truEdge will advise on the client's assets. The client will also sign a separate custodial agreement with each designated custodian. Agreements with end clients include either discretionary investment services, non-discretionary services, or both.

When truEdge has discretionary authority, truEdge is authorized, without prior consultation with the client, to: (i) buy, sell, exchange, and otherwise trade any stocks, bonds or other securities or assets and (ii) place orders and negotiate commissions (if any) for the execution of all transactions of securities with or through such broker-dealer underwriters or issuers as we, in our sole discretion, select. Any limitations to such authority must be communicated by the Client to us in writing.

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

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truEdge generally delegates proxy voting to the Sub-Managers to whom it allocates Client assets. The Sub-Manager is responsible for voting or abstaining from voting with respect to any proxy solicitations for any securities purchased on behalf of each Client; provided, however, that the Client has not notified the Sub-Manager of its desire to exercise the Client’s right to vote such proxies or to delegate the authority to vote such proxies to another party.

## **Item 18 – Financial Information**

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Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about truEdge’s financial condition. truEdge has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.

# **TRUEDGE ASSET MANAGEMENT**

**CRD Number: 323442  
Wrap Fee Program Brochure  
Form ADV Part IIA – Appendix 1**

**Dated April 27, 2023**

**484 E Carmel Dr, #137  
Carmel, IN 46032**

This wrap fee program brochure provides information about the qualifications and business practices of truEdge Asset Management, LLC (“Adviser”). If you have any questions about the contents of this brochure, please contact us by telephone at: 312-479-5305, or by email at: [kwilliams@truedgeam.com](mailto:kwilliams@truedgeam.com).

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. The Adviser’s registration as an Investment Adviser does not imply a certain level of skill or training.

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



## Item 2: Material Changes

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### Annual Update

The Firm Brochure will be updated annually or when material changes occur since the last update.

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### Material Changes since the Last Update

truEdge Asset Management has not experienced any material changes to its WRAP Fee Program.

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### Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact Justine Kidwell, CCO, by telephone at: 317-975-3787, or by email at: [jkidwell@bristallane.com](mailto:jkidwell@bristallane.com).

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## ITEM 4 SERVICES, FEES, AND COMPENSATION

truEdge Asset Management, LLC (“truEdge”) is an investment advisory firm registered with the U.S. Securities and Exchange Commission (“SEC”).

Clients may select from a variety of investment management services, including portfolio management managed by truEdge, or an independent, and third-party money manager. truEdge provides services to clients through individuals registered as investment adviser representatives, who are referred to internally as “Financial Advisors”. Financial Advisors may be specialists in areas such as wealth and tax management. This Form ADV, Appendix 1- Wrap Program Brochure is offered to potential and existing clients to provide an understanding of available programs sponsored by truEdge, and our related conflicts of interest. Clients typically include high and ultra-high net worth families as well as individuals, businesses, pension and profit-sharing plans, trusts, estates and charitable organizations, corporations, or other business entities.

Clients are advised that the same or similar programs or services as those described herein may be available from other investment advisors for an annual fee lesser or greater than set forth herein, and that the programs described in this brochure may cost the client more or less than purchasing the different services within each program separately depending upon such factors as account size, portfolio management fees, mutual fund no-load or load charges, etc. Financial Advisors will be reasonably available for consultation with clients regarding the management of their accounts. truEdge will provide necessary financial information to money managers including material changes as notified by the client as needed.

### BROKERAGE PRACTICES

truEdge does not maintain custody of your assets that we manage on which we advise, although we may be deemed to have custody of your assets. Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to. While we require that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor.

### AVAILABLE PROGRAMS

truEdge Wrapped Account program (“Advisor Directed Program”) Description

This section describes the Advisor Directed Program. truEdge has an agreement with Charles Schwab & Co Inc that sets forth the services that truEdge will provide the client and the fee the client will pay. truEdge also has agreements with certain third-party money managers chosen to participate in the Advisor Directed Program. Charles Schwab provides execution, custody, and administrative services to

truEdge clients. Securities and/or cash designated by the client for inclusion in the Advisor Directed Program are maintained in one or more accounts held at Charles Schwab.

Clients in the Advisor Directed Program generally grant truEdge authority to manage their accounts on a discretionary basis in accordance with the client's investment objectives, risk tolerance and investment time horizon, subject only to any reasonable restrictions that the client has provided to truEdge in writing. The client's Financial Advisor will be responsible for making investment decisions for the account on truEdge's behalf. Pursuant to this grant of discretion, clients authorize truEdge to invest in securities and other investments of any nature whatsoever, at the time and in the manner that the Financial Advisor determines, and to act on the client's behalf in all other matters necessary, or incidental to the handling of the account, without discussing these transactions or actions with the client in advance. The specific terms of the investment advisory relationship are set forth in the Client Advisory Agreement. Accounts utilizing an individual investment style and strategy in accordance with each client's financial situation and investment objective for the Advisor Directed Program account. If a third-party money manager is selected, its investment style and strategy will also be chosen in accordance with the client's financial situation and investment objective for the Advisor Directed Program Account. Transactions in Advisor Directed Program accounts generally are executed through the unaffiliated broker-dealer Charles Schwab. Third-party money managers must meet certain requirements as established by truEdge and as determined through truEdge's due diligence.

Any restrictions on the management of the Advisor Directed Program account imposed by the client or by such written investment policies or guidelines may cause truEdge or the money manager to deviate from the investment decisions it otherwise would make in providing services under the Advisor Directed Program. truEdge will have no liability for a client's failure to provide truEdge with accurate or complete information or to inform truEdge promptly of any change in the information previously provided. Financial Advisors and money managers will be reasonably available for consultation with clients regarding the management of their accounts. truEdge will provide necessary financial information to the money manager including material changes as notified by the client as needed.

## ii. Fee Schedule

The program fee and the truEdge advisory fee are bundled into one fee (the "Wrap Fee"). The Wrap Fee covers investment advisory services, execution of transactions, custody with Selected Custodians, and reporting. Clients in the Advisor Directed Program pay a fee that covers, among other things, services provided by the custodian and services provided by applicable money manager(s) (a "program fee"). Clients also pay advisory fees to truEdge for the services it provides.

## iii. General Fee Issues

truEdge, in its discretion, may negotiate the fee in appropriate circumstances, based on a number of factors including, but not limited to, the type and size of the account, the size or number of trades anticipated to be executed for the account, services provided to the account, the client's other accounts with truEdge, and the accounts of the client's family with truEdge. The fees charged may be higher or lower than the fees that truEdge charges other clients in this or other programs; and may be higher or lower than the cost of similar services offered through other financial firms. The account may be subject to a minimum fee specified in the Client Advisory Agreement. In connection with the Advisor Directed Program, Financial Advisors may utilize an investment strategy that generally seeks investments that are long term in nature with a buy and hold bias. Due to the nature of these strategies, investments in accounts could incur low turnover. However, the client continues to pay the Wrap Fee regardless of the number of transactions incurred in the account. Client should also be aware that services similar or comparable to those provided to them might be available to the client at a lower aggregate cost elsewhere on an "unbundled" basis.

The Wrap Fee does not cover brokerage commissions or other charges resulting from transactions not effected through the qualified custodian broker-dealers, nor does it cover custody services provided by any non-core custodian. The Wrap Fee does not cover certain costs or charges that may not be imposed by truEdge, including, but not limited to, costs associated with exchanging foreign currencies, odd lot

differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Wrap Fee does not cover “mark-ups” or “mark-downs” that broker-dealers may receive or “dealer spreads” that other broker-dealers may receive when acting as principal in certain transactions. The Wrap Fee also does not cover the annual fee that Selected Custodians charge Individual Retirement Accounts (“IRA accounts”) or certain other retirement plans.

We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we have an incentive to limit our trading in your account(s) because we are charged for executed trades.

Costs associated with using margin are not covered in the Wrap Fee and will result in additional compensation to truEdge and the Financial Advisor representative. As such, Financial Advisors are subject to a conflict of interest in recommending that Advisory Clients open margin accounts and maintain debit balances. The Financial Advisor or the money manager may invest account assets in open-end mutual funds (including money market funds), closed- end funds, exchange traded funds (“ETFs”), and other collective investment vehicles that have various internal fees and expenses, which are paid by such funds, but which are ultimately borne by the client as an investor. Besides general equities and fixed income securities, Financial Advisors and Money Managers may employ strategies that utilize the following types of investments: (i) American Depositary Receipts (“ADRs”), which are receipts issued by a U.S. bank or trust company that evidence ownership of non U.S. securities and are traded on a U.S. exchange or in the over the counter market; (ii) Global Depositary Receipts (“GDRs”), which are receipts issued generally by a non U.S. bank or trust company that evidence ownership of non U.S. securities; (iii) World Equity Benchmark Shares (“WEBS”), which are shares of Foreign Fund, Inc., an open end investment company organized in series, each of which invests primarily in non U.S. common stocks in an effort to track the performance of a specified foreign country equity market index compiled by Morgan Stanley Capital International (“MSCI”); or (iv) closed end investment companies that invest a substantial portion of their assets in the securities of specified foreign countries (“closed end country funds”). Clients will bear, in addition to the Wrap Fee, a proportionate share of any fees and expenses associated with these securities, if applicable, in which account assets are invested, and may also bear any fees and expense associated with converting non U.S. securities into ADRs or GDRs, if applicable. A portion of the Wrap Fee is paid to the Financial Advisor. The amount of this compensation may be more or less than what the Financial Advisor would receive if the client participated in other truEdge or affiliate’s programs or paid separately for investment advice, brokerage, and other services. The Financial Advisor may have a financial incentive to recommend the Advisor Directed Program over other truEdge or affiliate’s programs and services. The Wrap Fee is an agreed upon annual fee that will be payable based on the advisory agreement. This determination will be made and disclosed at the time of the client advisory agreement signing. Billing for the quarter will be in arrears or advance and based on the average daily balance and the number of days assets are in the Account(s), or for the billing period ending balance. Please refer to the Firm Brochure, item 5 for billing practices. truEdge is not compensated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of any client. Transactions in the account may be affected through the Selected Custodian of choice, unless otherwise required by applicable law. When a transaction is executed through the Client’s Qualified Custodian the Custodian will be entirely responsible for the execution and clearance of the transaction.

truEdge shall comply with its duty to obtain “best execution.” However, a client may pay a fee that is higher than another qualified broker-dealer might charge to effect the same transaction where truEdge determines, in good faith, that the fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while truEdge will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. In addition, truEdge may receive certain products and services from broker/dealers that are customary in the course of an institutional brokerage relationship. To the best of truEdge’s knowledge, these services are generally made available to all institutional investment advisers doing business with these broker/dealers. These bundled services are made available to truEdge on an unsolicited basis and

without regard to the rates of commissions charged or paid by clients or the volume of business directed to these broker/dealers. Since these products and services are merely made available by broker/dealers as part of a bundled business package to truEdge, truEdge does not consider products and services received in this context to be “soft dollars”.

## **ITEM 5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

Clients participating in the Advisor Directed Program may include endowments, foundations, retirement plans, corporations, individuals, and other entities. There may be minimum account sizes required to participate in the various programs; these minimums are dependent on the Program and manager preferences.

## **ITEM 6. MANAGER SELECTION AND EVALUATION**

truEdge may act as portfolio managers and run their own models, or use money managers or mutual funds. The advisory business offered when truEdge is acting as portfolio manager is no different than any other advisory business offered as described in the Advisory Business section of Form ADV Part IIA. The advisory team will obtain the necessary client information to make an informed decision on the asset allocation for the client.

truEdge may also offer Direct Indexing to clients. This allows a client to have access to model options that behave in a similar manner to a broad market index such as the S&P 500.

## **ITEM 7. CLIENT INFORMATION PROVIDED TO MANAGERS**

Initially truEdge will interview prospective clients to determine their financial position, investment goals and objectives (e.g., risk tolerance and time horizon), investment limitations, reasonable investment restrictions and risk tolerance (collectively “Investor Profile”). The Investor Profile is used to help determine the clients’ investment needs. At least annually, truEdge will contact clients to determine whether they have had any changes to their Investor Profile. Should changes occur to a client’s Investor Profile before the annual conference call or meeting, it is the client’s responsibility to contact truEdge as soon as possible.

## **ITEM 8. CLIENT CONTACT WITH MANAGERS**

Where truEdge’s Financial Advisory teams act as the Portfolio Manager on the client accounts, generally there are no restrictions placed on the client contacting them. truEdge will be reasonably available for consultation with clients regarding the management of their account. Questions about client account(s) and/or the investment activity should be directed to the client’s Financial Advisor at truEdge. truEdge will serve as the liaison between clients and their third-party money manager(s), where applicable.

## **ITEM 9. ADDITIONAL INFORMATION**

### **Code of Ethics**

truEdge has adopted a code of ethics (the “Code”) Establishing rules of conduct for all employees, officers and directors of the investment advisory entity and is designed to, among other things, govern personal securities trading activities in the accounts of associated persons. The Code is based upon the principle that truEdge and its employees, officers and directors owe a fiduciary duty to truEdge’s clients to conduct their financial affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

General Standards of Business Conduct; Insider Trading

The Code was developed to provide general ethical guidelines and specific instructions regarding the duties owed to advisory clients. All access persons must act with competence, dignity, integrity, and in an ethical manner, when dealing with clients, the public, prospects, third-party service providers and fellow access persons. Access persons must use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting truEdge's services, and engaging in other professional activities. All access persons are expected to adhere to the highest standards with respect to any potential conflicts of interest with clients. As a fiduciary, truEdge must act in its clients' best interests. In addition, and in compliance with Section 204A of the Advisers Act, and Rule 204-1 thereunder, truEdge has adopted written policies and procedures that are embodied in the Code, designed to detect and prevent the misuse of material, nonpublic information.

#### Personal Securities Transactions of "Access Persons"

Through its professional activities, truEdge and its supervised persons are exposed to potential conflicts of interest and the Code contains provisions designed to mitigate certain of these potential conflicts, by governing the personal securities transactions of certain of its employees, officers and directors. In particular, the Code governs the conduct of so-called "access persons" in instances, among others, where truEdge or certain individuals associated with truEdge may desire to purchase or sell securities for their personal accounts that are identical to those recommended by truEdge to its clients. For these purposes, the Code defines an "access" person as a supervised person of truEdge that (i) has access to nonpublic information regarding any clients' purchase or sale of securities, (ii) has access to nonpublic information regarding the portfolio holdings of any fund the adviser or its control affiliates manage, or (iii) is involved in making securities recommendations (or has access to such recommendations) to clients that are nonpublic. Access persons' trades must be executed in a manner consistent with the following principles: (i) the interests of client accounts will at all times be placed first; (ii) all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and (iii) access persons must not take inappropriate advantage of their positions. Access persons must submit quarterly reports regarding securities transactions and newly opened accounts, as well as annual reports regarding holdings and existing accounts. truEdge monitors access persons' personal trading activity at least quarterly to ensure compliance with internal control policies and procedures. truEdge strives to ensure that all access persons act in accordance with applicable regulations governing registered investment advisory practices as they apply to truEdge.

The Code does not prevent or prohibit access persons from trading in securities that truEdge may recommend, or in which truEdge may invest client assets. Rather, it prescribes the principals that must govern all access persons' personal trading activities (i.e. that (i) the interests of client accounts will at all times be placed first; (ii) all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and (iii) access persons must not take inappropriate advantage of their positions). As such, it is possible that (i) truEdge and its advisory personnel, could recommend to clients, or buy or sell for client accounts, securities in which one or more access persons (or even truEdge) has a material financial interest, (ii) access persons (or even truEdge) could invest in the same securities (or related securities) that truEdge or its advisory personnel recommends to clients, or (iii) truEdge or its advisory personnel, could recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that one or more access persons buys or sells the same securities for their own account. This presents a potential conflict in that the access person might seek to benefit himself or herself from this type of trading activity in the same securities, either by trading for personal accounts in advance of client trading activity, or otherwise. These types of potential conflicts are precisely why truEdge has articulated clear principles regarding such conduct and has required the submission of regular reports regarding personal securities transactions of its access persons. As noted above, conduct by an access person that is contrary to the Code may subject the access person to possible sanctions including, in appropriate cases, termination of employment. Investment management services, wrap programs.

Each account receives at minimum an annual review by the advisory team. In most cases, accounts are reviewed more frequently through various means, including telephone calls, in-person meetings, overall

strategy reviews, and/or the review of monthly and quarterly statements. Reviews are based on objectives and parameters established by clients, which are generally memorialized through their individual advisory agreements, investment policy statements, or other suitability and investment objectives documentation. Periodic reviews and face-to-face meetings or conference calls may be triggered by events such as client requests, a change in financial goals or objectives, and significant world, economic or market events. While truEdge will typically evaluate the continued suitability of specific third-party money managers (as applicable), managed account platforms, and wrap programs during account reviews, the administrators of such platforms and programs (which may be truEdge, a Custodian, or another third-party) may also perform their own reviews of managers appearing on the platforms and programs. Any such reviews will be disclosed in the manager's separate disclosure documents sent at account opening, after material changes and/or annually and are maintained by the administrators to applicable platforms and programs. truEdge's Compliance group performs regular and rigorous reviews of client accounts to determine adherence with the client's account suitability, risk tolerance and goals, among other things.

#### Regular Reports provided to clients

Clients will receive regular custodial statements and transaction confirmations received from the client's custodian. Additional reporting may also be provided by third-party money managers and the administrators of managed account platforms and wrap programs, depending on the particular third-party money manager, platform, or program selected. Any such additional reporting will be disclosed in the separate disclosure documents maintained by third-party money managers and the administrators to applicable platforms and programs.

#### Compensation Policy

truEdge receives no additional compensation outside of the advisory agreement. In general, truEdge monitors its fees and generally seeks to structure its compensation so that it does not exceed 2.5% annually (250 basis points), depending upon the scope and amount of services provided to the client. Advisory fees for some truEdge clients may be higher than that charged by other advisers that provide the same or similar services.

#### Economic Benefits Received from Non-Client

truEdge policies prohibit our related persons from accepting any form of compensation, including cash, sales awards or other prizes, in conjunction with the advisory services we provide to our clients.

Adviser utilizes Charles Schwab for some services. Charles Schwab is a member FINRA/SIPC. Charles Schwab is an independent, and unaffiliated, SEC registered broker-dealer. Charles Schwab offers independently registered investment advisers services which include custody of securities, trade execution, clearance, and settlement of transactions. truEdge receives economic benefits from Charles Schwab through its participation in these programs.

truEdge participates in Charles Schwab customer program and truEdge recommends Charles Schwab to clients for custody and brokerage account services. There is no direct link between truEdge's participation in the program and the investment advice it gives to clients, although truEdge receives economic benefits through its participation in the program that are typically not available to Charles Schwab retail investors. These benefits may include one or more of the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving truEdge participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services. These benefits received by truEdge, or its associated persons, do not depend on the amount of transactions directed to Charles Schwab.

truEdge also receives certain additional economic benefits (“Additional Services”) that may or may not be offered to any other independent advisers participating in that program. The Additional Services include payment for services provided by vendors for transition management, platform license fees, account data, technology, and trading. The payment for these services has economic value to truEdge. Charles Schwab provides the Additional Services to truEdge in its sole discretion and at its own expense, and truEdge does not pay a fee to Charles Schwab.

truEdge and Charles Schwab have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provision of the Additional Services. truEdge’s receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to truEdge, Charles Schwab considers the amount and profitability to Charles Schwab of the assets in, and trades placed for, the truEdge’s client accounts maintained with Charles Schwab when determining whether to provide or continue providing Additional Services to the truEdge. Charles Schwab has the right to terminate the Additional Services Addendum with truEdge, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain Additional Services from Charles Schwab, truEdge may have an incentive to recommend to its clients that the assets under management by truEdge be held in custody with Charles Schwab and to place transactions for client accounts Charles Schwab. truEdge’s receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including to seek best execution of trades for client accounts. truEdge’s recommendation that clients maintain their assets in accounts at Charles Schwab may be based, in part, on benefits provided to truEdge or by the availability of some of the foregoing products and services and not solely on the custody and brokerage services provided by Charles Schwab, which creates potential conflicts of interest. truEdge believes, however, that taken in the aggregate, truEdge’s recommendation of Charles Schwab as custodian and broker is in the best interests of clients. truEdge’s recommendation is primarily supported by the scope, quality, and price of Charles Schwab’s services, and not Charles Schwab’s services that benefit only Adviser.

#### Share Class Policy

truEdge may invest account assets in open-end mutual funds (including money market funds), closed-end funds, ETFs, and other collective investment vehicles that have various internal fees and expenses, which are paid by such funds, but which are ultimately borne by the Client as an investor (“asset-level fees”). In selecting or recommending share classes in such investments for Client accounts, it is truEdge’s policy to identify the lowest available fee class for which the applicable Client account is eligible through the truEdge platform. Additionally, in some circumstances truEdge may recommend a commission-free ETF or another commission-free product for wrap account notwithstanding the fact that they are available on a commission-free basis outside of the wrap account. Such determinations will be based on the client’s investment objectives, the performance and characteristics of the product under consideration, and the available investment alternatives. As part of its policy to identify suitable share classes and commissionable or commission-free investments, truEdge provides ongoing training to its employees, and conducts periodic monitoring of commission-free ETFs and mutual fund share classes in which Client accounts are invested. truEdge may utilize commission-free ETFs in its account management, including within wrap accounts. This creates a conflict because it benefits truEdge in that the overall fee collected for the wrap account is higher than it would be if commissionable ETFs were utilized. The Firm mitigates this risk by ensuring that the investment decision is based on suitability, performance and fund objective, not transaction costs. This is accomplished through advisor training and education, periodic review of transactions and product access through the applicable custodians.