

**Part 2A of Form ADV: Firm Brochure
Item 1 Cover Page**

Flameback Capital USA, Inc.

**61 MKK Road, Srirampuram,
Bengaluru, Karnataka, India 560021**

<https://us.flamebackcapital.com>

CRD No. 329123

This brochure provides information about the qualifications and business practices of Flameback Capital USA, Inc.. If you have any questions about the contents of this brochure, please contact us at +91 80 23321099 and/or us.support@flamebackcapital.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. Additional information about Flameback Capital USA, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Flameback Capital USA's registration as an investment adviser does not imply a certain level of skill or training.

Effective Date: March 31, 2024

Item 2 Material Changes

Last Annual Update: N/A

Summary of Material Changes

This section will be updated as required in the event any material changes are made to the Flameback Capital USA, Inc. Firm Brochure (the “Brochure”):

- Flameback Capital USA, Inc. is a new investment advisory firm, so there are no material changes to report at this time.

Delivery Requirements

We will provide a summary of any material changes to this Brochure to our clients at least annually, within 120 days of our fiscal year end. Furthermore, we will provide our clients with other interim disclosures about material changes as necessary.

A complete copy of our current Form ADV Part 2A and/or 2B may be requested free of charge by contacting us by telephone at +91 80 23321099 or by email at us.support@flamebackcapital.com.

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Item 4 Advisory Business

FIRM DESCRIPTION

Flameback Capital USA, Inc. (hereinafter referred to as “Flameback Capital USA,” “we,” “us,” or “our firm”) is a Delaware corporation with its principal office located Bengaluru, Karnataka, India and has been in business as a registered investment adviser since March of 2024. The principal owner of the firm is Flameback Capital Private Limited and Mr. Kishan Murjani Nair serves as Flameback Capital USA’s Director and Chief Compliance Officer.

As a registered investment adviser, we are a fiduciary to you, our client, meaning we have a fundamental obligation to act and provide investment advice that is in your best interest. Should any material conflicts of interest exist that might affect the impartiality of our investment advice, they will be disclosed to you in this Brochure. We urge you to review this Brochure carefully and consider our qualifications, business practices and the nature of our advisory services before becoming our client.

Flameback Capital USA is a newly established investment adviser with no assets under management. Clients may request more current information at any time by contacting our firm.

ADVISORY PROGRAMS

Flameback Capital USA is an investment advisory firm that provides limited investment management services to our clients exclusively through digital technology solutions. Our firm’s services are provided via Flameback Capital USA’s proprietary interactive website at <https://us.flamebackcapital.com>. We utilize an automated, algorithm-based investment strategy with respect to fractional shares, equities, debt/equity/index ETFs, and Equity Options.

To tailor its investment decisions to each client’s specific needs and objectives, Flameback Capital USA collects information from each client through an “Investor Profile Questionnaire” on its website. Each client will fill out this questionnaire prior to signing up for Flameback Capital USA’s investment management services.

Through interactive models, Flameback Capital USA will assist our client with determining their risk capacity and risk attitude and help them choose from three predefined risk levels. This is due to the fact that it is our duty to provide investment advice that considers each client objective individually, and if the majority of a client’s objectives weigh in favor of a certain risk level that the client did not request, we must notify such client of this outcome. The firm’s digital platform may even determine that our investment advice is not suitable for particular clients after reviewing client answers to the initial questionnaire. Clients can also override the algorithm’s recommendation, but the client must acknowledge in writing that they are not taking the firm’s advice if they decide to be placed in a different risk profile.

Flameback Capital USA maintains its clients’ personal identification information in strict confidence subject to its Privacy Policy, which can be found on our website, <https://us.flamebackcapital.com>.

Although Flameback Capital USA seeks to accommodate any reasonable investment restrictions or guidelines set by our clients, we may decline to accommodate certain investment restrictions that are incompatible with our firms’ investment philosophy or that may have an adverse effect on our ability to manage your account. Flameback Capital USA will have non-discretionary authority over Client accounts with respect to portfolio construction, asset allocation, and other investment decisions, subject to the limitations described herein.

Flameback Capital USA enters into formal written agreements with our clients setting forth the terms and conditions under which we will provide our advisory services (the “Investment Management Agreement”). The Investment Management Agreement sets forth the scope of the services to be provided and the compensation we receive from the client for such services. The Investment Management Agreement may be terminated by either party in writing at any time by giving thirty (30) days signed written notice to the other party. Clients agree to accept electronic delivery of this agreement, disclosure documents, statements, and other materials.

Once enrolled in our services, clients can update their investment profile or monitor their accounts’ allocation via the client account section of our website. Clients are able to view their account activity, and performance through their online, broker provided dashboard, or broker provided trading platform. Clients should periodically review their existing investment risk profile and update it when their goals, risk tolerance, or other aspects of their financial situation change.

Our advisers offer the advisory services described below to our clients:

Automated Investment Management. Flameback Capital USA provides automated investment management services in which clients grant our firm the ability to make automated investment recommendations: the client either grants our firm discretionary authority whereby Flameback will manage the client’s investment assets without consulting with the client in advance of trade execution, subject to the investment objectives, guidelines and restrictions set by the client, or the client grants our firm a limited form of discretionary authority, whereby the client must either accept or deny our recommendations prior to execution. Once a client approves of a recommendation, our firm will give instructions concerning these transactions to the qualified custodian with which the client’s account(s) are held.

The firm requires Clients to electronically sign an Investment Management Agreement to receive non-discretionary investment advisory services. Clients receive the firm’s Form ADV, including the Brochure, Brochure Supplements, Client Relationship Summary (“Form CRS”) and privacy policy through the website and/or other electronic communication.

Access to Adviser. Flameback Capital USA serves as an “internet-only” investment adviser pursuant to Section 203A-2(e) of the Advisers Act. Under this registration the Adviser provides investment advice solely through its interactive website. The Adviser is not available to Clients for telephone conversations or communications through other means such as post mail, courier, or email (other than operational emails). The Adviser does not meet with clients at its offices. All advice, support, and inquiries are delivered through the Adviser’s website.

Wrap Fee Programs. Flameback Capital USA does not participate in any wrap fee programs.

Important Note: It is the client’s responsibility to ensure that Flameback Capital USA is promptly notified if there are ever any significant changes to their financial situation, goals, objectives or needs so we can review our previous recommendations and make any necessary adjustments.

Item 5 Fees and Compensation

ADVISORY FEES

The following information describes how Flameback Capital USA is compensated for the automated advisory services we provide to our clients. The specific manner in which fees are charged and the compensation we receive may differ between clients depending upon the individual Investment Management Agreement with each client. Flameback Capital USA reserves the right to negotiate our compensation with clients depending on the scope of our advisory relationship, and we may charge higher or lower fees than are available from other firms for comparable services. Flameback Capital USA has the general discretion to waive all or a portion of our fees, but typically only exercises this discretion for our employees.

Investment Management Fees. In consideration for providing investment management services and pursuant to the Investment Management Agreement with the client, Flameback Capital USA charges a maximum annual asset-based fee of 0.9%. It's possible that similar advisory services can be obtained for lower fees. Fees are negotiated with each client based on a variety of factors, such as the amount of assets being managed, future deposits to the accounts under our management, the level and type of services provided and/or the nature of the relationship with the client. Flameback Capital USA generally bills our fees on a quarterly or monthly basis in arrears. Clients may indicate whether they prefer a quarterly or monthly payment schedule.

Flameback Capital USA reserves the right to renegotiate this fee model at any time. If Flameback Capital USA cancels the availability of the model described above, clients will continue with the model until their contract with Flameback Capital USA expires after one year.

Client's individual investment management agreement will memorialize client's consent to being held to the fee structure described above. The qualified custodian holding client's assets will calculate the firm's advisory fees. Clients will receive itemized invoices each month from the qualified custodian. Clients may either authorize our firm to automatically deduct our advisory fees from their separately held accounts, or they may submit payment via credit card within their client portal on our website. (See Item 15 Custody for more information.)

Additional Fees and Expenses. Clients will incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or qualified custodian through which account transactions are executed. For more information on our brokerage practices, please refer to Item 12 (Brokerage Practices) of this Brochure.

The fees that clients pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or exchange traded funds (described in each fund's prospectus) to their shareholders. The fees charged directly by mutual funds and exchange traded funds will typically include a management fee and other fund expenses.

To fully understand the total costs associated with their investment portfolio, clients should review all the fees charged by mutual funds, exchange traded funds, our firm and others.

Termination. The Investment Management Agreement with our clients may be terminated by either party at any time upon thirty (30) days written notice. Upon termination of our status as the client's investment adviser, Flameback Capital USA will not take any further action with respect to the client's account(s). Should a client choose to terminate Flameback Capital USA's service, they can close all open trades and

no further action will be taken by our firm. Clients will be responsible for instructing their custodian and monitoring their account for the final disposition of assets.

Refunds. Upon receipt of a proper notice of termination from the client, as described in the Investment Management Agreement, any earned unpaid fees will be billed on a pro-rata basis based on the amount of work performed by us up to the point of termination. The initial setup fee is nonrefundable.

Brokerage Commissions. Flameback Capital does not receive brokerage commissions from the sale of securities or other investment products. Our compensation for recommending securities and investment products is limited to the advisory fees described above.

Any material conflicts of interest between clients and Flameback Capital USA or our employees are disclosed in this Brochure. If at any time, additional material conflicts of interest develop, Flameback Capital USA will provide our clients with written notification of those material conflicts of interest or an updated Brochure.

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

PERFORMANCE BASED FEES

Flameback Capital USA does not charge our clients fees based on a share of capital gains on or capital appreciation of the assets in their accounts.

Item 7 Types of Clients

TYPES OF CLIENTS

Flameback Capital USA primarily provides investment advisory services to individuals and high net worth individuals.

All clients are required to sign an Investment Management Agreement with Flameback Capital USA. The client or our firm may terminate or assign the advisory relationship in accordance with the provisions of this Agreement. It is noted that Flameback Capital USA will not assign the Agreement without the client's prior consent. Additionally, a client may terminate the Agreement with our firm without being assessed any penalty at any time, however any fees earned or paid will be due and payable in accordance with the Agreement. Flameback Capital USA encourages clients to carefully review the terms set forth in the Agreement prior to signing.

ACCOUNT REQUIREMENTS

Flameback Capital USA requires a minimum account size of \$1,000 for our services.

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

METHODS OF ANALYSIS

Flameback Capital has developed and implemented proprietary investment models and strategies. These models and strategies grounded in a systematic and quantitative approach to analysing fundamentals, market analytics, and anomalies. The aim is to detect patterns that offer repeatable source of return. Once these patterns are identified, they are codified into algorithms allowing for automated execution. This process ensures disciplined and consistent implementation.

To identify investment patterns that we can codify, we analyse fundamental data or market data or combination of both. On the fundamental side, we analyse and rank financial instruments based on individual factors or attributes contributing to the return of a stock, ETF, or other financial instruments. Examples of such factors include market momentum, revenue growth, quality of earnings, price-to-earnings valuation, debt-to-equity ratio, market capitalization, sectors, and volatility. In other strategies that track and trade instruments that do not have financial data such as indexes, we analyse market data and through statistical analysis of that information try to identify trends, reversals, sentiment, correlation, and other indicators.

In all our investment strategies at Flameback Capital, we seek patterns that are not only statistically significant but also based on sound economic principles and logic.

Upon identifying such a pattern, we define the strategy's trading parameters and codify them into our technology platform. This codification is followed by historical simulations on sample data, serving as an initial test of our hypothesis. If the preliminary results are encouraging, we proceed to further test the strategy with a broader set of data samples, refining our trading parameters to cover a range of possibilities. This refinement could involve adding or removing certain factors or filters, adjusting the trading frequency, or altering the number of positions in a portfolio. We also take this opportunity to fine-tune the trading rules, including specifics like the trading universe, position sizing, and entry and exit conditions.

Risk management is a key focus, prompting us to incorporate additional safeguards such as hard stop losses, limitations on the trading universe, or increased diversification. Following these adjustments, we conduct live-market simulations or initiate real-money trading to assess the strategy's performance in actual market conditions. This process helps us compare real-world performance with our historical simulations to verify the test and strategy's reliability.

We evaluate our strategies through various considerations before we deploy them such as investment performance over various periods, drawdowns, Sharpe ratios, correlation to the overall market and other strategies, win-to loss percentage, average win to average loss percentage, portfolio optimization and sensitivity analysis.

The entire testing and refinement process can span from a few weeks to several months, ensuring we exercise time and patience to thoroughly understand each strategy and its reliability. This methodical approach is crucial for us to develop confidence in the strategy's effectiveness before recommending it to our clients.

INVESTMENT STRATEGIES

In our investment strategies employing ETFs, we adopt various approaches depending on the strategy's focus. For example, in a strategy aimed at capitalizing on market momentum by identifying top-performing S&P sectors, our selection process begins with creating a universe of ETFs, each focused on individual S&P sectors. From this universe, we shortlist ETFs based on their assets under management (AUM), ESG scores and trading volume. Then, at the end of each month or another predefined time frame, we select the best-performing ETF from this specific universe.

Conversely, in strategies designed to build a diversified portfolio across multiple asset classes using ETFs, our approach is to select the ETFs representing each required asset class. Here, the choice is guided by selecting those ETFs with the highest AUM, trading volume, ESG scores along with lowest costs, within their respective asset or sub-asset class.

Our equity strategies are centred on ranking companies using a variety of metrics. These include growth factors like revenue growth and operating margin expansion, financial health indicators such as debt-to-equity ratios and cash conversion cycles, and quality of earnings indicators like consistency in operating margins over an extended historical period. We also consider valuation metrics, including steady state value, intrinsic value, and relative valuation measures like price-to-sales (P/S) or price-to-earnings (P/E) ratios. Beyond these traditional metrics, we assess companies based on more unique criteria such as management effectiveness, environmental, social, and governance (ESG) factors, and innovation potential. Our strategies typically target specific universes of stocks, categorized by market capitalization, broad sectors, specific sub-sectors, or themes. Depending on the selected universe and the strategy's objective, we may employ many, few, or none of these fundamental factors in our analysis.

In our strategies that involve derivative instruments like options, our focus is on monitoring the underlying stocks, ETFs, or other financial instruments for indications of short-term movements in any market direction. The goal is to capitalize on these short-term trends, momentums, or reversals by trading options rather than the underlying assets themselves. This approach is designed to amplify our returns while simultaneously limiting our risks. In our options trading strategies, individual trades are short-lived, typically lasting for a maximum of just a few hours.

Investments within each of our strategies are managed according to specific trading rules. Depending on the strategy, rebalancing or trade entries or exits may occur annually, monthly, or quarterly. Additionally, we operate strategies centred on market timing or short-term trends or post-earnings release or other factors, where trades may be executed at any point, driven by identifying opportunities in current market conditions. The trading decisions in all our strategies are driven by trading rules that are codified as algorithms in our trading platform. We will only on ad-hoc basis execute trades outside of our trading rules in exceptional circumstances.

Our investment decisions are not based on the manager's discretion or made on an ad hoc basis in response to macroeconomic, geopolitical, or other factors. We only modify our investments when these influences are systematically integrated into our strategy through a data-driven approach, and changes are made based on specific, codified indicators or triggers.

However, in certain exceptional circumstances, we may manually intervene on an ad-hoc basis to enter or exit a particular investment. Such situations could include the pending delisting of a stock in our holdings, or trades occurring or not occurring erroneously or technical failures, where acting swiftly is crucial to avoid future complications. These decisions are made with the best interest of the client in mind.

Flameback creates investment portfolios by combining various strategies and asset classes. This method is designed to achieve a balance in return expectations, riskiness, and volatility, tailored to the portfolio's risk tolerance and size. Each portfolio's composition is carefully calibrated to ensure a diversified and well-balanced investment mix.

The composition of securities within each strategy is tailored to match the specific underlying instruments and the strategy's objective. Some strategies might include just one or two ETFs or stocks, subject to frequent rebalancing, while others encompass a broader range of 50-100 stocks.

This diverse approach underpins our philosophy of constructing portfolios comprising various strategies and asset classes. For instance, a portfolio focused on a single stock, rebalanced monthly, is strategically paired with another diversified equity strategy and a debt ETF. This method ensures a balanced investment approach, mitigating risks while pursuing targeted returns.

Flameback Capital offers clients the flexibility to invest in either standalone single-strategy portfolios or diversified, multi-strategy asset portfolios. This is achieved by allowing clients to mirror or replicate the trading activity of our model portfolios and strategies directly in their own brokerage accounts, ensuring a seamless investment experience. Clients have the option to opt for fully automated trading, or they can choose to authorize each transaction individually before execution.

Flameback recommends appropriate investment standalone single strategies or multi-strategy asset portfolios after assessing a client's investment objective, risk tolerance and other preferences through a questionnaire. Based on the questionnaire, Flameback recommends a suitable investment portfolio or strategy to a client. Investment portfolios are categorized according to low risk to very high risk and client risk tolerance is quantitatively assessed through methodology that assigns aggregate score after assigning individual scores to questions pertaining to ability to take risk, willingness to take risk, liquidity requirements and time horizon and other relevant matters. A high aggregate score will mean a client has a high-risk tolerance, our risk tolerance scoring methodology is available [here](#).

Our Investment Policy Statement document recommends the appropriate asset allocation mix for a client and we recommend an appropriate investment strategy after considering other factors such as investment amount, objectives, and client preferences.

Clients can also invest in portfolios and strategies with a risk score equivalent to or lower to their personal risk score. Client can independently choose to invest in portfolios or strategies that have a higher risk score than their own personal risk score after they sign a waiver that they can understand the risks of doing so and the perils of taking higher risks than their ability or risk tolerance permits them to.

Throughout our investment advisory process, Flameback Capital utilizes a diverse array of computer hardware, software systems, and platforms for data sourcing. This technology infrastructure includes both proprietary systems and those licensed from third-party vendors. We collectively refer to these as 'Computer Systems.' It's important to note that issues such as inaccurate data, outdated or missing information, hardware or software malfunctions, programming errors, and internet instability can impact the performance of these Computer Systems. Such disruptions have the potential to adversely affect our investment management performance.

Flameback Capital's investment universe is broad, encompassing a wide range of asset classes. These include, but are not limited to, ETFs, options, stocks, other equity instruments, REITs, convertible instruments, bonds, and other debt instruments, as well as alternative assets like art, private equity, hedge funds, and more. Our investment universes span various sectors and sub-sectors of the economy, diverse

themes, geographies, credit ratings, market capitalizations, commodities (through ETFs) currencies (through ETFs) , derivatives (options with the underlying instrument being stocks or ETFs) and real estate.

A key criteria for including an asset class or instrument in our investment universe is the capability for electronic execution without the need for offline paperwork, preferably via automated processes. Another crucial factor is regulatory compliance; we only consider assets that are either directly regulated or subject to some form of regulatory oversight. While liquidity and ease of execution are also important considerations, we prioritize instruments with reasonable trading volumes to ensure seamless execution. However, under specific circumstances, we may recommend illiquid or close-ended instruments to individuals with suitable investment horizons and risk appetites.

Ordinarily, Flameback Capital does not employ leverage through borrowing or margin trading in client portfolios. In our use of options, we engage in strategies such as long positions where the premium is paid in full upfront, limiting the maximum loss to the paid premium, or employing spreads with tightly controlled risks and known, limited profit and loss potentials. The notional cost value of our investments is capped at 100% of the available capital. In exceptional cases, such as unforeseen circumstances, technical malfunctions, or erroneous trades, the investment value might exceed this limit, but we promptly intervene to bring it back within our defined thresholds.

RISK OF LOSS

Any investment carries a certain degree of risk, including a possible loss of principal that clients should be prepared to bear. The value of securities used in all of our strategies may go up or down in response to factors not within our control, such as but not limited to the status of an individual company underlying a security, or the general economic climate. There is no guarantee that any of the investment strategies that our firm employs will outperform the investment strategies used by other firms. Past performance is no guarantee of future results.

Risk of Loss. Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

ETF Risks. An ETF is a type of investment company whose investment objective is to achieve the same or similar return as a particular market index. An ETF is similar to an index mutual fund in that it will primarily invest in the securities of companies that are included in a selected market index. An ETF will invest in either all of the securities or a representative sample of the securities included in the index. ETFs may be bought or sold throughout the day in the secondary market, but are generally not redeemable by retail investors for the underlying basket of securities they track.

Systemic Risk. Flameback is reliant on third-party market data and does not manually analyze investment opportunities and assess risks. Therefore, Flameback's algorithms do not account for all risk factors in certain investments, leading to potential for loss. Furthermore, Flameback does not typically consider economic or geopolitical events or industry-wide shifts, which might have significant impact on the portfolio.

Liquidity Risk. Flameback might invest in instruments that become delisted or enter bankruptcy proceeding or other situations which might lead the investment to be written down entirely or become illiquid.

Trade Execution Risk. Trade orders may not be executed at all, or may be executed at prices significantly different from the intended price, which can have a substantial impact on investment performance and may lead to results that vary considerably from expectations.

Algorithmic Risk. The algorithm may not perform due to design flaws, incorrect assumptions, unforeseen market conditions or the algorithm might stop performing optimally, leading to potential for loss or underperformance. The algorithm may not adapt well to changing market conditions or might not be able to identify nuanced or emerging risks that a human analyst might catch.

Model Risk. The statistical models used by the algorithm may be based on insufficient or inaccurate data, leading to incorrect recommendations. Model risk arises when the algorithms or models used for making investment decisions are based on certain assumptions or data inputs that may not fully capture all relevant risk factors. If the model fails to consider certain risks or is based on incomplete data, it could lead to suboptimal investment decisions.

Interest Rate Risk. Interest rates change and vary widely, which will affect the recorded value of fixed-income. Flameback's models might not consider changing market conditions in its quantitative data or they may be slow to adapt.

Credit Risk. The risk that issuers of bonds or other debt instruments might default on their obligations.

Concentration Risk. Flameback portfolios and strategies might be heavily concentrated in a few stocks or ETFs or sectors and the lack of diversification, might increase the riskiness of the portfolio and strategy.

Rebalancing Risk. The risk that the process of rebalancing to maintain asset allocation may not work as intended, especially in volatile markets.

Performance Risk. The risk that the investment strategies used by the app do not perform as well as expected or as well as comparable strategies.

Delayed Response Risk. The risk associated with clients not responding in a timely manner to recommendations or alerts, potentially resulting in missed opportunities or holding investments that are no longer appropriate for their strategy.

Portfolio Drift Risk. The risk that a client's portfolio may drift from its target allocation over time if trades or rebalances are not confirmed and executed, potentially increasing the portfolio's risk profile or reducing its alignment with the client's investment objectives.

Technology Interface Risk. The risk that clients may have difficulties with the user interface, leading to errors or failures in confirming or executing trades.

Operational Risk. The risk of operational failures such as software errors, system downtime, or human errors that could impact investment decisions or client access to their accounts. This includes the risk associated with the operation of the algorithm itself – errors, bugs, or other issues in the algorithm that could lead to incorrect analysis or investment decisions.

Cybersecurity Risk. The risk of data breaches, hacking, unauthorized access, and other cyber threats that could compromise client information and the integrity of investment decisions.

Regulatory Risk. The risk of changes in laws or regulations that could impact the operation of your app or the investments it recommends.

Legal and Compliance Risk. The risk of legal challenges or violations of compliance requirements related to the app's operations or advice.

Shareholder Engagement Risk. Flameback does not exercise or recommend action on proxy votes-leading our clients to not being able to receive advice on how to exercise their shareholder rights.

Market Volatility. General fluctuations in the economy may affect the value of one or more investments. In the event of economic volatility, the ability to achieve a favorable return on investments may be severely impeded.

Investors should be aware their investment is not guaranteed and understand that there is a risk of loss of value in their investment.

Item 9 Disciplinary Information

REQUIRED DISCLOSURES

Flameback Capital USA is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Flameback Capital USA or the integrity of our firm. Our firm and our management persons have not been involved in any legal or disciplinary events that would have a material adverse effect on the integrity of our management or the services we provide to our clients.

Although Flameback Capital USA is required to and will make separate disclosure in the event disciplinary disclosure information changes, clients are encouraged to review publicly available information about the entity and the individuals at www.adviserinfo.sec.gov.

Item 10 Other Financial Industry Activities and Affiliations

OUTSIDE BUSINESS ACTIVITIES

There is overlap in the activities of the parent company and Flameback Capital USA. The parent company might provide the same or similar investment strategies or algorithms to its clients residing in India investing in US markets that it provides to clients. Further, both the parent company and Flameback Capital USA will share resources in terms of human resources, technology platforms, marketing content, intellectual property, data and other resources.

In terms of clients, since the parent company will provide investment advisory services to clients residing in India or of Indian nationality with investment capital in India and the US entity will provide advisory services to clients in the US, there is no direct conflict. Even when similar investment strategies in the same markets are deployed to clients of both entities, the dissemination of information and execution will occur simultaneously. There will be no preference provided to clients in either of the jurisdictions.

When it comes to sharing of resources, personal and financial information of clients of both entities will be segregated and stored in two separate servers. Further, access to investment information including buy and sell trading signals, trading confirmations, algorithms, credentials and other critical or personal information will be limited to key personnel who are essential to the operation of both the parent company and Flameback Capital USA.

Flameback Capital USA and the parent company will be operated entirely separately as two different businesses. Additionally, the parent company will be licensing its software platforms and IP to Flameback USA. The parent company is motivated to maintain and develop its platforms and IP to further its own business interests. The interests of both companies are aligned. It's also in interest of both the parties to hire and retain sufficient resources to handle the workload of both the entities in order to have the businesses run efficiently.

Neither Flameback Capital USA nor any of its employees are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

AFFILIATED ENTITIES

Flameback Capital Private Ltd, Flameback Capital USA's parent company, is an investment adviser that is registered with the Securities and Exchange Board of India.

OTHER INVESTMENT ADVISERS

See above.

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

CODE OF ETHICS

Flameback Capital USA has adopted a Code of Ethics (the "Code") that sets forth a standard of business conduct for our firm and all our associated persons. The purpose of the Code is to set out ideals for integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence for our firm and our associated persons to espouse in the interest of our clients and investor protection. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees of Flameback Capital USA are required to handle their personal securities transactions in such a manner as to avoid any actual or potential conflicts of interest or any abuse of position of trust and responsibility. Annually, we require all employees to certify that they have read, understand and will comply with the Code.

Clients and prospective clients may request a full copy of our firm's Code of Ethics by contacting our firm via email at us.support@flamebackcapital.com or through our website's "contact us" portal.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Flameback Capital USA and/or our advisors may invest in the same securities that are recommended to and/or purchased for our clients. Our firm and/or our advisors do not recommend securities to our clients in which Flameback Capital USA and/or our advisors have a material financial interest. Our firm has adopted procedures designed to assure that the personal securities transactions, activities and interests of Flameback Capital USA and/or our advisors will not interfere with our ability to make investment decisions in the best interest of our clients.

PERSONAL TRADING

Flameback Capital USA maintains and enforces written policies and procedures reasonably designed to prevent the misuse of material non-public information by our firm or any access persons of our firm with regards to their personal securities transactions. Personal trading activities are continually monitored to reasonably prevent conflicts of interest between our firm and our clients.

TRADING PROCESS

At our firm, each client's account is tailored to their specific investment amount and risk tolerance. For instance, two accounts may employ the same strategy, but with different investment amounts — one with \$50,000 and another with \$200,000. The strategy might be allocated at 60% in the smaller account and 40% in the larger one, based on their respective risk profiles. The trading signals we generate align with each account's investment portfolio. Therefore, the smaller account will generate trade positions proportionate to 60% of its \$50,000 investment, while the larger account will have trades positioned to match 40% of its \$200,000 investment.

In some cases, clients may impose additional restrictions on their accounts, such as requiring pre-approval for trades or setting limitations on trading certain stocks or sectors. These unique constraints can affect the trading process by either delaying trade execution until approval is granted or by necessitating the exclusion of specific stocks or sectors from the client's tradeable universe. Consequently, these restrictions can lead to variations in the trade order list and, ultimately, in the investment performance of these accounts. While we strive to execute trades simultaneously to minimize price disparities, these client-specific restrictions, combined with varying fulfillment rates, can result in differences in executed prices and investment returns. However, these variations are a result of individual client preferences and do not reflect any preferential treatment in our trading process.

For new accounts, our goal is to swiftly mirror the selected strategies as closely as possible after onboarding. We don't attempt to time the market; instead, we focus on aligning the new account's investment performance with that of the model portfolio and other accounts following similar strategies. This approach is designed to ensure that the new account's performance is closely aligned with established accounts from the outset.

Item 12 Brokerage Practice

SELECTION OF BROKER-DEALERS

Securities transactions are generally executed through Interactive Brokers, LLC. ("Interactive Brokers"), member FINRA/SIPC/NYSE. Interactive Brokers maintains custody of our clients' assets and effects securities transactions for our investment management clients' accounts. Flameback Capital USA is independently owned and operated, and is not affiliated with or a related person of Interactive Brokers, and reserves the right to work with other, qualified brokers.

All Clients that have selected our firm's web-based automated investment advisory service via the firm's website will have brokerage accounts opened with Interactive Brokers.

Flameback Capital USA considers a number of factors prior to recommending a particular broker-dealer to our clients, including but not limited to, their familiarity with the securities to be sold or purchased, their execution skills, order-flow capabilities, their commission rates or other fee schedules, their custodial services, their level of net capital (financial strength) and excess SIPC and other insurance coverage. The commissions charged by Interactive Brokers are competitive with similarly situated retail broker-dealers offering the same variety of securities to clients. Clients are advised, however, that they may be able to effect transactions in securities through other broker-dealers at lower commission rates, particularly with respect to securities listed on a national securities exchange or in the over-the-counter market.

Research and Other Soft Dollar Benefits. Interactive Brokers offers products or services other than execution that assist our firm in managing and administering client accounts. These may include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), facilitate payment of our fees from clients' accounts, and assist with back office functions, record keeping and client reporting. These services may be used to service all or a substantial number of client accounts, including accounts not maintained at Interactive Brokers.

Interactive Brokers has arrangements with various product vendors, which enable our firm to purchase their products at a discount. These products may include such items as: client reporting and consolidated statement software; client communication software; client relationship management software; compliance assistance; and investment research.

Flameback Capital USA does not participate in any commission-sharing arrangements or receive soft dollar credits. While the benefits we receive from Interactive Brokers do not depend on the amount of brokerage transactions directed to Interactive Brokers, as a fiduciary we are required to disclose that there is an inherent conflict of interest when our firm recommends that clients maintain their assets at Interactive Brokers. These recommendations may be based in part on the benefits we receive from Interactive Brokers, such as the availability of the abovementioned products and services, and not solely on our clients' interest in receiving most favorable execution. Nonetheless, we seek to ensure that the securities transactions effected for our clients represent the best qualitative execution, not just the lowest possible cost.

Our firm routinely compares order execution disclosure information at Interactive Brokers to other broker-dealers to ensure that Interactive Brokers remains competitive in providing best execution for our clients' securities transactions. Although the brokerage commissions and/or transaction fees charged by Interactive Brokers may be higher or lower than those charged by other broker-dealers, in seeking best execution for our clients our firm strives to ensure that our clients pay brokerage commissions and/or transactions fees which we have determined, in good faith, to be reasonable in relation to the value of the brokerage and other services provided by Interactive Brokers.

Brokerage for Client Referrals. Flameback Capital USA does not consider broker-dealer or third-party referrals in selecting or recommending broker-dealers to our clients as this would create a conflict of interest.

Directed Brokerage. While Flameback Capital USA generally recommends that clients direct transactions through certain broker-dealers, we do not have discretionary authority to determine the broker-dealer to be

used for the purchase or sale of securities for client accounts or the commission rates paid to a broker-dealer for client securities transactions.

Flameback Capital USA's algorithms and models are designed to be compatible with Interactive Brokers' platform. In the future it may become compatible with other platforms, but due to this limitation we cannot utilize other broker-dealers when requested by the client.

TRADE AGGREGATION

Investment decisions deemed appropriate for one client may also be deemed appropriate for other clients so that the same security may be purchased or sold at or about the same time for more than one client. When this is the case our firm may, but is not obligated to, aggregate similar trades for multiple clients and execute the trade as a single block.

When transactions are so aggregated, the securities purchased or sold will be allocated in a fair and equitable manner. Our trade allocation procedures seek to allocate investment opportunities among our clients in the fairest possible way taking into account their best interests. These procedures ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Transactions are usually aggregated to seek a more advantageous net price and/or to obtain better execution for all clients. Nevertheless, there is no assurance that the aggregation of transactions will benefit all clients equally, and in some instances combined orders could adversely affect the price or volume of a security. Also, it is possible that we may not aggregate trades in circumstances where it would be beneficial to do so.

TRADE ERRORS

From time to time, our firm may make a trade error when servicing a client's account. When this occurs, we will correct the trade as soon as we discover the error. Trading errors will be corrected at no cost to clients. If there is a cost associated with this correction, such cost is borne by Flameback Capital USA and not the client. Note that we do not credit accounts for market losses unrelated to our error.

Item 13 Review of Accounts

ACCOUNT REVIEWS

Flameback Capital USA conducts account reviews at least weekly for clients subscribed to our automated investment management services. The frequency of the review depends upon a variety of factors such as: the client's risk profile, activity in the account, economic and market conditions, and the client's preferences, if any. Additional reviews may be triggered by changes in the investment objectives or guidelines for a particular client or specific arrangements with the client.

Clients will receive quarterly statements from their qualified custodian, however, in light of the fact that Flameback Capital USA is a robo adviser, our advisors do not meet with clients. Clients will generally adhere to an Investment Management Agreement for the duration of one year, and before the contract expires, the client will execute a new agreement. As a robo adviser, our firm has the option to manage up to 15 clients and provide them personalized service. We will meet face to face, at least annually, with those particular clients.

ACCOUNT REPORTS

Clients have direct and continuous access to their account information and related documents via the password-protected website of the qualified custodian with which their accounts are held.

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

Flameback Capital USA does not compensate third-parties (or “solicitors”) to promote the investment advisory services offered by our firm.

OTHER COMPENSATION

Flameback Capital USA does not receive an economic benefit from anyone who is not a client in exchange for our provision of investment advice or other advisory services.

Item 15 Custody

CUSTODY OF CLIENT FUNDS AND SECURITIES

Interactive Brokers is the qualified custodian and maintains custody of client funds in separate brokerage account(s) for each client under the client’s name. Our personnel may assist the client in preparing paperwork to open a new brokerage account at Interactive Brokers, but only the client is permitted to authorize, by their signature, the opening of the account. Interactive Brokers sends an account-opening letter to each client at their physical mailing address after the account is approved.

Interactive Brokers will calculate fees and send clients itemized invoices. Interactive Brokers will also directly deduct fees from client accounts, unless clients choose to submit payment via credit card in their client portal on our website.

Clients can access daily, monthly and annual account statements as well as daily trade confirmations through a password protected portion of Interactive Brokers’ website, www.interactivebrokers.com. Clients should also expect to receive an email on a monthly basis, from Interactive Brokers notifying the client that a statement has been generated. Clients should carefully review the account statements and summaries received from the qualified custodian(s) and compare such official custodial statements to any transactions that appear in the Flameback Capital USA client portal.

Clients can also access information concerning their account(s) and access (and generally change) the settings for their brokerage account online on the Interactive Brokers’ website at www.interactivebrokers.com.

Item 16 Investment Discretion

NON-DISCRETIONARY AUTHORITY

Flameback Capital USA manages client securities portfolios on a non-discretionary basis. Our firm is granted non-discretionary authority in writing by the client at the outset of the advisory relationship. This authorization gives our firm the authority to make automated recommendations for investment, but the client must authorize or decline the recommendations. This authorization will remain in full force and effect until expiration of the Investment Management Agreement from the client.

Flameback Capital USA does not have discretionary authority to determine what broker-dealer to use or the amount of commissions that are charged by the broker-dealer or custodian.

Item 17 Voting Client Securities

AUTHORITY TO VOTE CLIENT PROXIES

We does not accept authority from clients with respect to voting of proxies solicited by, or with respect to, the issuers of any securities held in client portfolios. The qualified custodian holding clients' assets will send all such proxy documents it receives to the client so that the client may take whatever action the client deems appropriate. Our firm does not offer clients any consulting assistance regarding proxy issues.

Item 18 Financial Information

REQUIRED DISCLOSURES

Flameback Capital USA does not accept discretionary authority when providing investment management services, nor does our firm require clients to prepay any management fees.

Our firm does not have financial commitments that would impair our firm's ability to meet our contractual and fiduciary commitments to our clients and has not been the subject of a bankruptcy proceeding.