



## Alpha Architect, LLC

Firm Brochure

Part 2A of Form ADV

March 28, 2024

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This brochure ("Brochure") provides you with information about the qualifications, business practices and nature of advisory services of Alpha Architect, LLC ("Alpha Architect", the "Firm" or the "Adviser"), an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). All of the information herein should be considered before becoming a discretionary or non-discretionary advisory service client ("Client") of our firm. If you have any questions about the content of this Brochure, please contact us at 215-882-9983 or [aacompliance@alphaarchitect.com](mailto:aacompliance@alphaarchitect.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. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as a CRD number. Our firm's CRD number is 153905.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION ("CFTC") IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR THIS BROCHURE OR ACCOUNT DOCUMENT.

## ITEM 2 - MATERIAL CHANGES

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This Brochure dated March 21, 2024, is an annual amendment and replaces the Brochure dated November 17, 2023, which was an other-than-annual amendment.

Since the publication of the November 17, 2023 Brochure, Alpha Architect has made no material changes to the disclosures herein.

**Please note that this section of the Brochure discusses only material changes since the last update of our Brochure.** For any future material changes to this and subsequent Brochures, we will at no charge provide you with a summary of material changes within 120 days of the close of our fiscal year, or more often as necessary.

If you would like to receive a copy of our Firm Brochure, please contact us by telephone at 215-882-9983 or by email at [aacompliance@alphaarchitect.com](mailto:aacompliance@alphaarchitect.com)

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## ITEM 4 – ADVISORY SERVICES

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### FIRM DESCRIPTION

Alpha Architect, LLC (“Alpha Architect”) is an investment adviser and Delaware limited liability company with its principal place of business in Havertown, Pennsylvania. The Adviser was formed in April 2014 and commenced operations as an SEC registered investment adviser in August 2010. Empirical Finance, LLC (“Empirical”) is the sole member and principal owner of Alpha Architect. Wesley R. Gray Ph.D. is the principal owner and founder of Alpha Architect through its controlling affiliate, Empirical and owns the majority of Empirical. Dr. Gray is also the Chief Compliance Officer (“Compliance Officer”) for Alpha Architect.

As used in this brochure, the words “Firm,” “we,” “our,” and “us” refer to Alpha Architect and the words “you,” “your,” and “client” refer to you as either a current or prospective client of Alpha Architect.

Alpha Architect specializes in academic finance research. Alpha Architect leverages this research to develop proprietary models that execute systematic, quantitative investment strategies. Alpha Architect provides investment advisory and asset management services on a discretionary or non-discretionary basis by serving as investment manager to separately managed accounts (“Managed Accounts”). Alpha Architect provides advice to clients based on specific investment objectives and strategies. In most cases, Alpha Architect is able to tailor advisory services your individual needs. For example, institutional investors may impose restrictions on their Managed Accounts, such as prohibiting certain securities or controlling sector and industry concentrations in their portfolios.

### TYPES OF ADVISORY SERVICES

#### SEPARATELY MANAGED ACCOUNTS

Alpha Architect offers discretionary portfolio management services or non-discretionary advisory services to individuals, high-net-worth individuals, corporations and other business entities based on the specific needs and objectives of such Clients. Our advice regarding constructing portfolios and managed accounts includes investing in listed and over-the-counter Equities and Equity derivatives, Futures, Mutual Funds, Exchange Traded Funds (ETFs), Bonds, as well as use of

## Leverage and Naked Option Strategies.

The separately managed advisory programs offered by Alpha Architect are based on your individual needs. Prior to your initial investment, we will assess your goals, objectives, investment horizon, and risk tolerance. We will gather information via a “Know Your Customer” questionnaire. The “Know Your Customer” questionnaire provides a standardized, documented list of client factors. You may impose restrictions on investing in certain securities or types of securities. After reviewing this information, Alpha Architect makes recommendations on what may be appropriate investment options for you.

Prior to engaging Alpha Architect to provide any of the investment advisory services, you will be required to enter into one or more written agreements with Alpha Architect setting forth the terms and conditions under which Alpha Architect shall render its services (collectively the “Agreement”).

This Agreement, among other things, will state whether Alpha Architect has discretion over your account. The way in which your account is managed will vary based on whether discretionary authority has been granted to Alpha Architect.

Regardless of who maintains discretionary authority over your account, you are advised to promptly notify Alpha Architect in writing if there are any material changes in your financial situation, investment objectives, or in the event you wish to alter any restrictions upon investment management services.

## DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

When granted discretionary authority, Alpha Architect is authorized to perform various functions, at your expense, without further approval from you. Such functions include the type and amounts of securities to be purchased/sold. This discretion is subject to the guidelines outlined within your Investment Policy Statement. Once your portfolio is constructed, Alpha Architect will provide ongoing supervision and re-balancing of your portfolio in accordance with your investment selection’s goals. When suitable to your objectives, Alpha Architect will invest your assets in investment companies managed by a related adviser. In such a scenario, Alpha Architect will receive fees from the management of Fund assets, and the related adviser will receive an investment management fee from the investment company(ies) it advises. See Items 10 and 11 for detailed disclosures.

## NON-DISCRETIONARY ADVISORY SERVICES

At your request, Alpha Architect may develop and manage an investment portfolio on a non-discretionary basis, whereby the Firm will make specific investment recommendations tailored to your investment objectives. The Firm will not initiate any orders to purchase or sell any securities in non-discretionary accounts without your approval. Alpha Architect is responsible for arranging the execution of these recommendations if you use your discretionary authority to act on our advice.

## CONSULTING SERVICES

Alpha Architect provides general consulting services focused in the following areas:

- General quantitative analysis
- Asset allocation and portfolio optimization
- Hedging and arbitrage strategy analysis and implementation
- General computer programming as it relates to quantitative finance
- Index creation and data licensing thereof

Consulting services are provided to other investment advisory firms, high-net-worth individuals, wealth management companies, financial advisers, and registered investment companies. Consulting services are distinct from advisory services, although some of our advisory clients are also consulting clients.

## FINANCIAL PLANNING

Financial Planning services may be provided as a stand-alone service or may be coupled with ongoing investment management. Financial Planning may include advice that addresses one or more areas of your financial situation, which may include but is not limited to estate planning, risk management, budgeting and cash flow controls, retirement planning, education funding, and investment portfolio design and ongoing management. Depending on your situation, financial planning may include some or all of the following steps:

- Gathering factual information concerning your personal and financial situation;
- Assisting you in establishing financial goals and objectives;
- Analyzing your present situation and anticipated future activities in light of their

- financial goals and objectives;
- Identifying problems foreseen in the accomplishment of these financial goals and objectives and offering alternative solutions to identified problems;
- Making recommendations to help achieve goals and objectives;
- Designing an investment portfolio to help meet the goals and objectives of the Client;
- Analyzing estate plans;
- Assessing risk and reviewing health, life and disability insurance needs;
- Making recommendations designed to improve your chances of achieving his or her objectives; and/or
- Providing suggestions on how to measure progress toward the Clients' goals or make changes to the goals as deemed necessary.

Once financial planning advice is presented, you may choose to have us assist with the implementation of the financial plan and/or manage the investment portfolio on an ongoing basis. However, you are under no obligation to act upon any of the recommendations made under a financial planning engagement and/or engage the services of any recommended professional or Alpha Architect.

#### 1042 QUALIFIED REPLACEMENT PROPERTY( “QRP” ) SERVICES

Alpha Architect provides 1042 QRP services to qualified clients seeking to effect a 1042 exchange. Such services include, but are not limited to, 1042 QRP portfolio management, 1042 QRP data licensing, and 1042 QRP consulting and support services.

#### DONOR ADVISED FUND SERVICES

Alpha Architect works with the Client to develop a giving strategy utilizing a donor advised fund. An asset allocation strategy for the fund is then implemented. Strategies could include model portfolios or completely customized allocations depending upon needs. Clients may request us to manage assets within a donor advised fund. Under these arrangements, the client selects the donor advised fund to which he or she makes a charitable contribution. At the donor advised fund's sole discretion and subject to its policies and restrictions, the donor advised fund may permit an individual to select an investment advisor to manage those assets. In these cases, the donor advised fund becomes the client, as the donor advised fund owns the assets donated by the individual. Clients may select any donor advised fund and the decision to make a charitable donation from the client's investment portfolio rests solely with the client. Alpha Architect maintains relationships with a select number of



donor advised funds, but does not have a formal referral arrangement in place with any donor advised fund and does not receive compensation for referrals to any donor advised fund.

#### WRAP FEE PROGRAMS

Alpha Architect does not participate in any Wrap Fee Programs.

#### ASSETS UNDER MANAGEMENT

As of March 14, 2024, Alpha Architect managed the following asset amounts:

Discretionary Assets:	\$ 711,692,830
Non-Discretionary Assets:	\$0
Total Assets	\$ 711,692,830

Please note, all dollar values are expressed in USD and these figures do not reflect any AUM overseen by the affiliated adviser of Alpha Architect (Empowered Funds, LLC) which oversees the management of affiliated funds (ETFs) referenced in this Brochure.

## ITEM 5 – FEES & COMPENSATION

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### INVESTMENT ADVISORY FEES

#### BILLING PRACTICES

Alpha Architect deducts fees according to the terms of your investment management agreement. The Management Fee is calculated and may be charged on a daily or monthly basis, in arrears. For accounts with daily billing, the fees are charged daily based on the end-of-day net asset value of the account, automatically deducted by Interactive Brokers, and paid to Alpha Architect. For accounts with monthly billing, the fees are charged on a monthly basis based on end-of-month net asset value or QRP value. Monthly fees are billed at the beginning of each month.

Partial periods may occur at account inception and termination; fees for partial periods are pro-rated.

Fees are usually deducted from a designated client account to facilitate billing. Clients must consent, in advance, to direct debiting of their investment accounts. For direct debit accounts, Alpha Architect either submits an invoice to your custodian with the amount of the advisory fee or the custodian calculates the fee in accordance with your billing terms. That amount is then deducted from the account. Furthermore, your custodian will send you account statements at least quarterly showing the deduction of the management or advisory fee. You should carefully review all account statements your custodian sends to you.

#### DISCRETIONARY AND NON-DISCRETIONARY ADVISORY SERVICES

Upon your engagement with Alpha Architect to provide separately managed account services, Alpha Architect shall perform such services for an annual fee based on a percentage of your assets under management (the “Separately Managed Account Management Fee”).

#### SEPARATELY MANAGED ACCOUNT FEES

The Separately Managed Account Management Fee will be exclusive of and in addition to brokerage commissions, transaction fees, borrowing costs, and any other costs or expenses incurred by the client and payable to client’s broker. Alpha Architect will not receive any portion of

these commissions, transaction fees, or other brokerage costs.

The standard investment management fee structure for Separately Managed Account Management is as follows:

<u>Asset Value</u>	<u>Rate</u>
Under \$500,000	1.00%
Over \$500,000	Negotiable

All fees and account minimums are negotiable and may be discounted based on a variety of factors including the client's relationship to Alpha Architect, the complexity of the strategy, the account type or account value. At the firm's discretion, and depending on the facts and circumstances, fees may be reduced to zero.

The schedules above only reflect Alpha Architect's investment management fee. See Items 10 and 11 for more information on potential additional costs that may be associated with your account.

Alpha Architect, if suitable to your objectives, will invest Client assets in investment companies managed by a related adviser. In such a scenario, Alpha Architect will receive fees from the management of Fund assets, and the related adviser will receive an investment management fee from the investment company(ies) it advises. See Items 10 and 11 for detailed disclosures.

## 1042 QUALIFIED REPLACEMENT PROPERTY ACCOUNTS

For 1042 Qualified Replacement Property ("QRP") accounts, the Advisor oversees the entire QRP transaction and QRP tax status thereof.

The maximum Management Fee for this account type is 1.0% of the gross, levered account value, and a maximum of 7.0% of the unlevered account value per annum. For example, a QRP account with a levered value of \$1,000,000 and an unlevered value of \$250,000 could be charged up to \$10,000 (1.0% of levered value, but 4.0% of unlevered value) over a 12-month period.

QRP management fees may be higher than other similar accounts in the strategy if the management of your account is more complex. These factors can include, but are not limited to, additional counterparties that require more investment-related coordination, the amount of anticipated leverage within the account and reporting or planning requirements. Management fees for these accounts are higher than those that traditional Separately Managed Accounts charge on their unlevered value due to the complexity, oversight, and ongoing support unique to the 1042 QRP

service. Your fee schedule, regardless of account complexity, will not exceed the maximum fee schedule stated above.

Fees are negotiable based upon strategy complexity, holdings, and size of investment.

#### PERFORMANCE FEES

You and Alpha Architect may agree upon a performance fee if you are deemed a Qualified Client under 275.205-3(d)(1) of the Investment Advisers Act of 1940. Additional operating expenses may apply.

#### CONSULTING SERVICE FEES

##### CONSULTING SERVICES - ETF WHITE LABEL

A commonly controlled affiliate of the Adviser (Empowered Funds, dba ETF Architect) serves as the adviser to ETFs on the EA Series Trust (the “Trust”). This arrangement is a white-label platform whereby third-party fund sponsors can partner with ETF Architect and sponsor an ETF on the Trust (“Platform Service Agreements”). For these services (wholly contingent upon approval by the Independent Board of Trustees of the Trust), ETF Architect receives a servicing fee, which covers its costs and compensates its personnel for services rendered. The personnel and resources of ETF Architect are shared with the Adviser.

##### CONSULTING SERVICES - GENERAL

Fees for consulting services are negotiated on a case-by-case basis depending on the parameters of the consulting engagement. Our consulting fees consist of a fixed component of \$5,000 and an hourly component that runs \$500.00 per hour. We may choose to negotiate a lower fee arrangement with a client based on a variety of factors, including complexity, scope and your relationship to Alpha Architect. Lower fees for comparable consulting services may be available from other sources.

Fees may be invoiced to you on a monthly or quarterly basis. If consulting services are based on a flat rate fee, you will be billed in two installments, with the first installment due upon acceptance and

exercise of the consulting agreement. The second installment will be due upon completion of the consulting services. Platform Service Agreements are typically billed monthly in arrears and deducted against any management fees recovered.

## FINANCIAL PLANNING FEES

Fees for financial planning are generally quoted at the initial interview or in a subsequent conversation and are based on the nature of your financial planning needs, your level of organization and the complexity of your situation. All financial planning fees are negotiable at our discretion. Typically, clients pay 50% of the fee upon executing a Client Advisory Agreement. The balance of the fee is due when a financial plan is delivered to the client.

## INDEX CREATION & DATA LICENSING

Index licensing fees are negotiated on a case-by-case basis and depend upon the complexity of the index, exclusivity provisions, rebalance frequency, and a host of other factors. Fees are generally assessed on overall AUM of the product tracking the index.

Lower fees for services may be available from other sources.

## DONOR ADVISED FUND SERVICES

The investment advisory fee for this type of account which will be paid directly to Alpha Architect pro rata, on a monthly basis is 0.25% of NAV, based on the total Giving Fund balance. No further fees are charged by Alpha Architect to the donor advised fund.

An administrative fee is assessed to each donor advised fund by the Limited Partner of the agreement (the "LP") only. Such fees can be discussed further as needed. The client has authorized the LP in writing to deduct all transaction charges and other charges from the client's account.

## 1042 QRP COST BASIS TRACKING SERVICE

Utilizing third-party software, Alpha Architect offers a service to assist clients with 1042 QRP portfolios in tracking the inherited basis of their holdings. The price of this service is \$1,000 per year, though costs could be lower in subsequent years depending on account activity. You will be asked

each year if you would like to engage the service for that year. You are not required to utilize this service, and the cost for the service is disclosed prior to the preparation of your report. Alpha Architect will assist you in tracking the inherited cost basis in your portfolio on a best-efforts basis. Alpha Architect is not a tax professional and cannot provide tax advice or assurance as to the accuracy of any tax document, such as Form 8949 or Form 1099. You are solely responsible for ensuring that all tax information provided by Alpha Architect is accurate and in compliance with all applicable laws and regulations. This service will be billed in the same manner as your account management fee.

#### OTHER FEES & EXPENSES

There will be additional fees or charges that result from trading investments within your account. These fees are imposed by third parties. Any additional fees, charges or expenses resulting from maintenance of our trading within the account shall be the sole responsibility of the client.

You will also incur certain charges imposed by third parties other than Alpha Architect in connection with investments made through the Account, including but not limited to, no-load 12b-1 distribution fees; certain deferred sales charges on previously purchased mutual funds, and Maintenance fees and Retirement Plan fees.

#### ACCOUNT TERMINATION & REFUND POLICY

A Client may terminate the Investment Advisory Services Agreement for any reason at any time by notifying Alpha Architect in writing.

Alpha Architect may terminate any of the Agreement at any time by notifying the Client in writing.

Alpha Architect does not collect fees in advance and therefore, there are limited instances where a fee refund may occur.

## ITEM 6 – PERFORMANCE BASED FEES & SIDE-BY-SIDE MANAGEMENT

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### PERFORMANCE BASED FEES

Alpha Architect does not receive performance-based fees for any account we manage.

### SIDE BY SIDE MANAGEMENT

Alpha Architect simultaneously manages multiple types of investment vehicles in many instances according to the same or a similar investment strategy. In addition, the commonly controlled affiliate, ETF Architect we deploy common resources and personnel to managed sponsored funds and affiliated ETFs of Alpha Architect. This side-by-side management of various types of accounts raises the possibility of favorable or preferential treatment of a client account or a group of accounts arising from differences in fee arrangements. As a registered investment adviser and a fiduciary, Alpha Architect seeks to exercise due care to ensure that investment opportunities are allocated equitably among all clients, regardless of their corresponding fee structure.

Side-by-side management may also affect instances where Alpha Architect provides index portfolio construction to an index licensee (“Licensee”). In these circumstances, Alpha Architect may have already commenced trading before the Licensee has received or had the opportunity to evaluate or act on Alpha Architect’s index construction. As such, trades ultimately placed by the Licensee for its clients may be subject to price movements, particularly with large orders or where the securities are thinly traded, that may result in the Licensee’s clients receiving prices that are less favorable than the prices obtained by Alpha Architect for its clients. Alpha Architect does not control the Licensee’s execution of transactions for the Licensee’s clients; therefore, Alpha Architect cannot attempt to control the market impact of such transactions to the same extent that it would for its discretionary clients.

Alpha Architect has procedures designed and implemented in furtherance of its efforts to treat all clients fairly and equitably over time. By utilizing these procedures, Alpha Architect believes that clients that are subject to side-by-side management alongside other accounts are receiving fair and equitable treatment over time. See Item 12 below for a more detailed discussion of Alpha Architect’s

trade allocation and aggregation policy and procedures.



## ITEM 7 – TYPES OF CLIENTS

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### DESCRIPTION

Alpha Architect provides separately managed account services to high-net-worth individuals, institutions, corporations, registered investment companies (via a commonly controlled affiliate), donor advised funds and other business entities. Client relationships vary in scope and length. Alpha Architect does not limit services to the type of clients we currently serve.

### ACCOUNT MINIMUMS

Alpha Architect's investment minimums vary according to investment. Generally, Alpha Architect requires a minimum account size over \$1 million, depending on the investment strategy, to establish a Separately Managed Account.

Alpha Architect's 1042 QRP Strategy generally requires an account size of at least \$1 million to establish an account.

Alpha Architect, at our sole discretion, maintains the ability require a larger amount or to waive such minimums at its discretion.

The minimum investment required to invest in a Series Fund of the Alpha Architect Funds is described in each fund's prospectus.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

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### METHODS OF ANALYSIS

One of Alpha Architect’s foundations is academic finance research. We leverage this research to develop proprietary models that execute systematic, quantitative investment strategies. We rely heavily on quantitative models (both proprietary models and those supplied by third parties) and information and data supplied by third parties (“Models and Data”).

Quantitative investment analysis is a method of evaluating securities and other assets by analyzing a large amount of data using algorithms, or models, to generate investment decisions. Our models may consider a wide breadth of factors from traditional valuation measures, momentum indicators, and price signals, to analysis of financial reports and accounting metrics. These inputs, combined with our model construction methodology, optimization process, and trading technology, are the foundation of our investment process.

We identify investment approaches by leveraging internal research. Once an investment approach is identified we begin the process of building a model to test the strategy’s viability. Some of the models we use are predictive in nature and are usually constructed based on historical data supplied by third parties. The building process generally consists of two steps: (1) designing an investing strategy to implement the given approach; and (2) producing testable implications. The success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data. However, even if market data is input correctly, “model prices” will often differ substantially from market prices, especially for securities with complex characteristics, such as derivative instruments.

### INVESTMENT STRATEGIES

Alpha Architect utilizes several investment strategies, including, but not limited to, value strategies, momentum strategies, trend strategies, global macro strategies, and risk parity.

Alpha Architect also deploys risk management strategies that seek to minimize market drawdowns and avoid adverse tax consequences, when possible.

## SEPARATELY MANAGED ACCOUNTS

The investment objective of Alpha Architect is to achieve positive risk-adjusted returns relative to an appropriate passive benchmark. To achieve its objective, we will primarily take long and short positions in publicly traded securities. We do not make a practice of recommending margin transactions or options writing strategies but may employ these strategies at your request.

Although we deploy a variety of systematic investment strategies, we can also implement client developed strategies as discussed in Item 4. Advisory Services. Client specific investment strategies are based upon your objectives. You may contact us in writing at any time to change these objectives.

## RISK OF LOSS

Investing in securities involves risk of capital loss that you should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended) will be profitable or equal any specific performance level(s). It is important that you understand the risks associated with investing in the types of investments and strategies listed above.

Although we will attempt to moderate these risks, no assurance can be given that the investment activities of the account we advise will achieve the investment objectives of such account or avoid losses. We cannot offer any guarantees or promises that your financial goals and objectives will be met.

Except as may otherwise be provided by law, we are not liable to clients for:

- Any loss that you may suffer by reason of any investment decision made or other action taken or omitted by us in good faith;
- Any loss arising from our adherence to your instructions, or the disregard of our recommendations made to you; or
- Any act or failure to act by a custodian or other third party to your account.

- Any loss that you may suffer by reason of any investment decision made or other action taken or omitted by us in good faith;
- Any loss arising from our adherence to your instructions, or the disregard of our recommendations made to you; or
- Any act or failure to act by a custodian or other third party to your account.

The information included in this Brochure does not include every potential risk associated with an investment strategy, technique, or type of security applicable to a particular client account. You are encouraged to ask questions regarding risks applicable to a particular strategy or investment product and read all product-specific risk disclosures. It is your responsibility to give us complete information and to notify us of any changes in financial circumstances or goals.

Some of the risks associated with Alpha Architect's investment strategies, and the securities and other assets utilized to implement those strategies, include, but are not limited to, those listed below:

- ***Borrowing and Embedded Leverage:*** Some clients allow secured and unsecured borrowing to the maximum extent allowable under applicable credit regulations. Like other forms of leverage, the use of borrowing can enhance the risk of capital loss in the event of adverse changes in the level of market prices of the assets being financed with the borrowings. Leverage may also take the form of financial instruments, including OTC derivative instruments which are inherently leveraged, and products with embedded leverage such as futures, options, short sales, swaps, and forwards, in which an investor can lose more money than the initial cost of the investment. The use of leverage allows the clients to increase their exposure to assets, such that total assets may be greater than capital invested. However, the use of leverage may also magnify the volatility – or the likelihood of short-term changes in value – of any portfolio. The effect of the use of leverage in a portfolio may result in losses to the portfolio that exceed losses to the portfolio if such portfolio did not utilize leverage. Leverage also creates margin call risk, whereby a broker may forcibly sell a client's positions to "cover" the leverage incurred by a client should market conditions warrant. Such activities are beyond the control of the Adviser and clients are advised to carefully consider the deployment of leverage in their portfolios prior

to effecting such a transaction.

- ***Commodity Futures and Options:*** Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events, and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a client engaging in commodity futures trading. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to such client. Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.
- ***Concentration Risk:*** This is the risk that a portfolio concentrates investments in a limited number of issuers, or in issuers within the same economic sector, industry, or geographic location. The value of such concentrated portfolios may be particularly susceptible to adverse economic, business or political developments compared to more diversified portfolios.
- ***Counterparty Risk:*** Counterparty risk is the risk to each party of a contract that the counterparty will not live up to its contractual obligations. You could potentially incur a significant loss as a result of counterparty credit exposure should the counterparty fail to fulfill its obligations.
- ***Currency Risk:*** Currency risk is the risk that changes in currency exchange rates will negatively affect securities denominated in, and/or receiving revenues in, foreign currencies. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. Adverse changes in currency exchange rates (relative to the U.S. dollar) may erode or reverse any

potential gains from investments in securities denominated in a foreign currency or may widen existing losses.

- ***Derivatives Risk:*** A derivative is any financial instrument whose value is based on, and determined by, another security, index, rate or benchmark (i.e., stock options, futures, caps, floors, etc.). Unfavorable changes in the value of the underlying security, index, rate or benchmark may cause sudden losses.
- ***Foreign Investment Risk:*** Returns on investments in foreign securities could be more volatile than, or trail the returns on, investments in U.S. securities. The prices of these securities may fluctuate more widely and may be less liquid due to adverse market, economic, political, regulatory or other factors.
- ***Hedging:*** There can be no assurances that a particular hedge is appropriate or that certain risk is measured properly. Further, while we may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for your portfolios than if we did not engage in any such hedging transactions.
- ***Hedging Model Risk:*** The use of hedging strategies based on mathematical models may not produce the desired result or mitigate the desired risk. The Adviser uses a mathematical approach to the implementation of hedging strategies. Maintenance of the hedging strategies will not ensure that the Fund will deliver competitive returns. The use of derivatives in connection with hedging strategies may lead to losses (some of which may be sudden) that it would not have otherwise been experienced if the portfolio invested directly in equity securities. Hedging strategies could limit gains in rising markets and may expose you to costs to which you would otherwise not have been exposed. Hedging strategies may result in outperforming the general securities market during periods of flat or negative market performance and underperforming the general securities market during periods of positive market performance.

- ***Inflation Risk:*** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- ***Interest-rate Risk:*** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- ***Liquidity Risk:*** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product.
- ***Market Risk:*** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.
- ***Model and Data Risk:*** Given the complexity of Alpha Architect's investments and strategies, we rely heavily on quantitative models (both proprietary models and those supplied by third parties) and information and data supplied by third parties ("Models and Data"). Models and Data are used to provide risk management insights, but these insights may not always be correct or produce the desired outcome when employed.

Some of the models used are predictive in nature. Such models may incorrectly forecast future behavior, leading to potential losses on a cash flow and/or a mark-to-market basis. In addition, in unforeseen or certain low- probability scenarios (often involving a market disruption of some kind), such models may produce unexpected results, which can result in losses your portfolio.

- ***Portfolio Turnover:*** Active and/or frequent trading of securities and financial instruments within a portfolio may produce increased transaction costs, including brokerage

commissions, fees, transaction taxes, and other transaction costs. Likewise, such active and/or frequent trading may result in short-term capital gains tax treatment.

- ***Tax Risk:*** Tax laws and regulations applicable to an account are subject to change, and unanticipated tax liabilities could be incurred by investors as a result of such changes. You should consult your own tax advisers and counsel to determine the potential tax-related consequences of investing.

While this information provides a synopsis of the events that may affect your investments, this listing is not exhaustive. There is no assurance that any strategy will achieve its investment objective.

***INVESTMENTS INVOLVE RISK AND THE LOSS OF ALL OF YOUR INVESTMENT IS POSSIBLE.***



## ITEM 9 – DISCIPLINARY INFORMATION

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Neither the Firm nor any supervised person has been involved in any legal or disciplinary event that is material to a client's or prospective client's evaluation of the Firm's advisory business or the integrity of its management.

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

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### FINANCIAL INDUSTRY ACTIVITIES

Alpha Architect is not a registered broker-dealer, or a futures commission merchant. Furthermore, none of Alpha Architect's management or supervised persons are registered representatives of a broker-dealer.

### FINANCIAL INDUSTRY AFFILIATIONS

Alpha Architect is registered with the National Futures Association (NFA) as a Commodity Trading Adviser.

### OTHER MATERIAL RELATIONSHIPS

Empirical Finance, LLC owns a 100% interest in Alpha Architect, LLC. Alpha Architect, LLC owns a 100% interest in a related investment advisory firm, Empowered Funds, LLC ("ETF Architect"), which serves as an adviser to certain registered exchange-traded-funds under the registered investment company, EA Series Trust.

Alpha Architect will advise clients to invest some or all assets under management in registered exchange-traded funds managed by its related investment adviser, Empowered Funds, LLC as disclosed above. In such scenarios, Alpha Architect would receive indirect compensation from the investment management fees that ETF Architect would receive from the client's assets invested in such exchange-traded funds. The receipt of such compensation raises a conflict of interest for Alpha Architect in choosing where to allocate clients' assets.

Alpha Architect is a sub-advisor to the exchange-traded funds mentioned previously and provides their investment advice to ETF Architect's portfolio managers ("Advisor Personnel") for execution. This construct creates a conflict of interest whereby the Sub-Advisor Personnel (select employees of Alpha Architect who generate the portfolio names) could seek to manipulate the ETFs and "front-run" trades prior to execution by the Advisor Personnel (select employees of ETF Architect who

execute the trades to track the portfolio). The ETF could also be manipulated to benefit the Sub-Advisor Personnel at the expense of Alpha Architect and ETF Architect' clients and/or the trading public more broadly.

Alpha Architect has adopted a Code of Ethics and Personal Securities Trading Policy implemented to mitigate these potential conflicts that could result in unfair treatment of a client account or the trading public. Such practices include trading approvals required above de minimis amounts for securities traded by Alpha Architect personnel, blackout periods for securities trading based on particular circumstances, and ongoing monitoring of Alpha Architect personnel brokerage activity. Alpha Architect will provide a copy of its Code of Ethics and/or Personal Securities Trading Policy to any client or prospective client upon request.

In 2014, Alpha Architect entered into a royalty agreement with a seed investor for providing initial assets under management for the Adviser to manage for a three-year period. The agreement conveys no ownership interest, managerial input, board oversight, or any other equity benefits to the investor.

#### OTHER INVESTMENT ADVISERS

Empowered Funds, LLC, or ETF Architect, is a wholly owned and controlled affiliate of Alpha Architect. ETF Architect serves as the investment adviser to, and one related person serves on the Board of Trustees of, the Alpha Architect Funds. Subject to the overall authority of the Board of Trustees, ETF Architect furnishes continuous investment supervision and management to the Alpha Architect Funds' portfolios and also furnishes office space, equipment and management personnel, including persons satisfactory to the Board of Trustees to serve as officers of the Series Funds, and also provides certain other administrative services to each Series Fund.

## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

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### CODE OF ETHICS

We have adopted a Code of Ethics (“the Code”) pursuant to Rule 204A-1 under the Advisers Act. The Code reflects standards of conduct which govern our fiduciary obligations associated with the provision of investment advice and addresses conflicts of interest between our advisory personnel and our advisory clients. The Code requires that our access persons (defined as those who provide investment advice and or have access to certain related information) comply with applicable federal securities laws, report violations of the Code, report their personal transactions and holdings in certain securities periodically, and obtain pre-trade clearance when necessary. Pre-trade clearance requirements exist for access persons within the Firm as specified within the Code. We monitor the personal securities transactions of our access persons and prohibit them from engaging in deceptive conduct in connection with the purchase or sale of securities for advisory accounts. The Code also requires that all access persons comply with ethical restraints relating to clients and their accounts, including restrictions on gifts.

We will provide a copy of the Code to any Client or prospective Client upon request.

### PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Potential conflicts of interest may exist if an investment adviser or one of its affiliates or related persons engages in a transaction in which it buys or sells for a client, securities, in which the adviser has a material financial interest. Alpha Architect may recommend to clients that they buy or sell shares of an investment company or other investment product in which Alpha Architect have some financial interest by serving as adviser or sub-adviser to such investment company, fund or other product.

Alpha Architect and its employees will, if suitable, recommend, or effect transactions in, securities which a related person has a material financial interest, subject to the strict conditions of the Code

and the provisions contained therein. Specifically, Alpha Architect recommends investments in related ETFs. These ETFs are advised by ETF Architect, an Advisory Affiliate and Related Person of Alpha Architect. In such a scenario, Alpha Architect receives advisory fees from the client based on the value of assets under management, including those assets invested in the sub-advised ETFs, and Alpha Architect's related adviser, ETF Architect, also receives advisory fees based on the value of the assets under management of the sub-advised ETFs. It is therefore a potential conflict of interest to invest assets of clients in related sub-advised ETFs. Accordingly, Alpha Architect discloses the relationship with the sub-advised ETFs and the fees received by Alpha Architect and its related adviser, ETF Architect.

Alpha Architect's related adviser, ETF Architect, also receives advisory fees based on the value of the assets under management of the sub-advised ETFs. It is therefore a potential conflict of interest to invest assets of clients in related sub-advised ETFs. Accordingly, Alpha Architect discloses the relationship with the sub-advised ETFs and the fees received by Alpha Architect and its related adviser, ETF Architect.

Alpha Architect specifically prohibits supervised persons from knowingly selling to or purchasing from a client any security or other property, except securities issued by the Client. Please refer to Item 6 of this document which provides details on the conflict and how we address these potential conflicts.

## PERSONAL TRADING

Alpha Architect or a related person may from time-to-time purchase or sell for its own account securities recommended by Alpha Architect for purchase and/or sale by clients of Alpha Architect. However, any purchase or sale of a security by Alpha Architect or a related person will be subject to Alpha Architect's fiduciary duty to its clients. Access persons are prohibited from the purchase or sale of securities for their own or any Client's account on the basis of their knowledge of a client's trading positions or planned trading positions. In addition, Alpha Architect employs trading requirements that prohibit trading of accounts alongside related entity ETF accounts simultaneously.

Alpha Architect and its employees have a fiduciary duty to place the interests of Clients ahead of

their own interests. Records of select security transactions by Alpha Architect and related persons will be maintained at Alpha Architect's office and will be available for inspection by you upon prior written notice. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, we will monitor our personal trading reports for adherence to our Code of Ethics.

## ITEM 12 – BROKERAGE PRACTICES

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### SELECTION & RECOMMENDATION

#### SOFT DOLLAR BENEFITS

We do not engage in any “soft dollar” practices.

#### BROKERAGE FOR CLIENT REFERRALS

We do not receive Client referrals from broker-dealers or third parties in exchange for using that broker-dealer or third party.

#### DIRECTED BROKERAGE

As noted above, Alpha Architect generally recommends that its Clients open brokerage accounts with Interactive Brokers (“IB”).

However, you may choose any other broker for custody and trading of your account, and you are responsible for negotiating fees and commissions schedules. If you direct brokerage, Alpha Architect cannot negotiate commission rates; however, Alpha Architect will use its best efforts to negotiate the most favorable rates based on the size and the anticipated trading activity in the account. In the event of directed brokerage, you may pay higher brokerage commissions than might otherwise be paid if we were granted discretion to select a broker to handle the account. In addition, you may lose the benefits of potentially better executions available through bunched transactions (e.g., transactions aggregated together and executed concurrently) of the recommended broker-dealer custodian.

Alpha Architect’s recommendation of Interactive Brokers as an executing broker is based upon best execution analysis using the highest potential fees charged to a client’s account. As trade volume increases, commissions are reduced by IB. Thus, aggregating all trades can provide even lower trading costs to clients. We evaluate the trading costs of various brokers and compare them to Interactive Broker’s highest rate on an annual basis. This analysis helps ensure our selection of

Interactive Brokers remains the best option, regardless of trading volume. Should other brokers present competitive pricing (amongst other factors) we would direct trade orders to the best executing broker.

Alpha Architect's selection of Interactive Brokers does present two potential conflicts of interest. First, commission rates can decrease with significant trading volume. One could theoretically trade numerous client accounts at the higher rate and then trade other client accounts later at a lower commission rate. Systematically doing so would benefit certain client accounts over others. To mitigate this, the Adviser strives to group all trade orders by strategy whenever possible. All client trades on a particular day are equivalent and treated equitably (see Order Aggregation, below).

The second conflict of interest arises for accounts where commissions are paid by Alpha Architect on the client's behalf. Alpha Architect benefits when client accounts are aggregated, and trading costs are lowered because the fees it pays for clients are lowered as well. In theory, Alpha Architect could direct trading volume to Interactive Brokers specifically to drive down the commission rates it pays on a client's behalf, even if that volume could be better executed elsewhere. To mitigate this risk, Alpha Architect reviews best execution criteria for all brokers annually and evaluates Interactive Brokers at the highest possible commission rate.

## ORDER AGGREGATION

When aggregating and allocating securities transactions, our clients are treated in a fair and equitable manner. No account will be favored over any other accounts. All clients participating in an aggregated order must be treated fairly. In the regular course of business, we may at times enter orders for multiple advisory accounts in order to obtain the best pricing averages and minimize your trading costs. Accordingly, our policies and procedures mandate allocating the orders to the appropriate client accounts as soon as possible thereafter and allocating transactions equitably. In most cases, this process is done automatically by an unaffiliated broker using model portfolio orders. In a model portfolio order, all clients are traded in a model simultaneously and allocated shares via an algorithm to ensure equitable pricing across all clients.

Alpha Architect will seek to allocate investment opportunities and trades fairly. "Fair" treatment does not mean identical treatment of all clients. Rather, it means that Alpha Architect does not



discriminate on an impermissible basis against one client or group of clients. When we transact in securities or instruments for more than one client, the investment opportunities and trades will be allocated in a manner consistent with our fiduciary duties. Alpha Architect may not allocate trades in such a way that Alpha Architect's personal, proprietary or affiliated accounts receive more favorable treatment than clients' accounts. Similarly, we may not allocate profitable trades at each day's end so as to disproportionately favor certain clients.

In making investment decisions for the accounts, securities considered for investment by one client may also be appropriate for another client. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one client, we may, but will not be obligated to, aggregate or "batch" orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution and the terms of the relevant investment advisory agreements. Such combined or "batched" trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing transaction charges.

When Alpha Architect decides to purchase or sell the same securities for several clients at approximately the same time, Alpha Architect is not required to aggregate such transactions, but will do so absent a determination by our Firm's Compliance Officer based on the best interests of Alpha Architect's clients. Alpha Architect will aggregate and allocate orders only in a manner designed to ensure no client or account is favored over others over time. Alpha Architect believes that aggregation is consistent with our duty to seek best execution and best price for clients and is consistent with Alpha Architect's investment advisory agreements with each client for which trades are being aggregated.

We have instructed our broker-dealer (custodian) to process our clients' trades in the most cost-effective manner while securing quality of execution. The Compliance Officer will review transactions periodically to prevent and detect excessive costs related to non-compliance with order aggregation procedures.

Alpha Architect currently outsources all trading and execution operations to ETF Architect.

## ITEM 13 – REVIEW OF ACCOUNTS

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### PERIODIC REVIEWS

Alpha Architect's criterion for reviewing Client accounts is as follows:

The underlying securities within client accounts are continually monitored for compliance with policy, strategy adherence, suitability of investments and customer investment objectives.

For those clients to whom we provide separate financial planning and/or consulting services, reviews are conducted at least annually or on an as needed or agreed upon basis. Such reviews, with regards to your investment portfolio, are conducted by one of our investment adviser representatives or principals.

### INTERMITTENT REVIEW FACTORS

Although we review client accounts on a regular basis, there are facts and circumstances which may prompt ad hoc reviews. Significant market events affecting the prices of one or more securities held by a client, changes in investment objectives or guidelines of a particular client, or specific arrangements with particular clients or investors may trigger more frequent reviews of a particular account.

### CLIENT REPORTS

Managed Account clients receive regular written reports from their custodian and may receive operational reports from Alpha Architect upon request or as required in the investment management agreement. At a minimum, each you will receive a quarterly report from your custodian that will include a statement of account holdings, market value, broker commissions, and advisory fees charged for the period.

## ITEM 14 – CLIENT REFERRALS & OTHER COMPENSATION

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### ECONOMIC BENEFITS FOR ADVISORY SERVICES RENDERED

Alpha Architect's wholly-owned subsidiary is an investment adviser to several ETFs. This creates a potential conflict of interest because Alpha Architect has an incentive to increase each subsidiary-advised ETF's assets under management. One way Alpha Architect may do so is to cause client assets to invest in those ETFs. However, to mitigate that conflict of interest, when an Alpha Architect client account holds a subsidiary-advised ETF, Alpha Architect will waive its management fee or offset its management fees so as not to double-charge for those advisory services. However, Alpha Architect will normally charge such client accounts a fee when Alpha Architect is providing additional advisory services beyond those provided via the relevant ETF's management services (e.g., leverage, trend following, general asset allocation, etc.)

### COMPENSATION FOR CLIENT REFERRALS

Alpha Architect may receive client referrals from unaffiliated third parties in exchange for compensation to that third-party (each a "referral arrangement"). Any referral arrangement entered by Alpha Architect for the solicitation of advisory clients by a third-party that constitutes a "testimonial" or "endorsement" are in accordance with Rule 206(4)-1 under the Advisers Act (the SEC's new "Marketing Rule"). Under a referral agreement, a solicitor or "promoter" will receive compensation as a percentage of advisory fees received by the Firm from the referred client. The details of the particular referral arrangement and a description of the compensation paid to the solicitor will be disclosed to each referred client through a separate written disclosure.

You should be aware that a promoter for Alpha Architect who receives compensation for a testimonial or endorsement is inherently conflicted as the promoter will only receive compensation if you become a client of the Firm. Further, you should understand that a referral made to Alpha Architect by a promoter does not obligate you to open an account. We address this conflict of interest by disclosing to you the terms of the referral relationship and related referral compensation. Our participation in these referral arrangements does not diminish our fiduciary obligations to our

clients.

#### COMPENSATION FOR ETF WHITE LABEL REFERRALS

A commonly controlled affiliate of Alpha Architect, ETF Architect, compensates certain independent third-party introducers (the “Introducer”) a flat fee (the “Introduction Fee”) for introductions to clients that ultimate sponsor and launch ETFs. Such payments are fixed in amount, one-time, and non-AUM based.

## ITEM 15 – CUSTODY

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All client assets are maintained with qualified custodians such as banks or registered broker-dealers. Alpha Architect recommends, but does not require, that Clients open an account with Interactive Brokers.

Alpha Architect has a form of custody of client assets through the deduction of advisory fees. In most instances, we are able to deduct advisory fees directly from your account. We are deemed to have custody in these situations according to the Advisers Act. If you have an account where this feature is possible, you authorize us to debit fees directly from your account balance in your written agreement with the custodian. Fees are deducted as described in your Agreement.

Your custodian will provide you with quarterly account statements relating the account advised by Alpha Architect. Your statements indicate all amounts disbursed from your account, including the amount of advisory fees that were paid to Alpha Architect. You should carefully review your custodian's statement upon receipt to determine that it completely and accurately states all holdings in the account and all account activity, including advisory fee payments deducted from your account, over the relevant period. Any discrepancies you identify should be immediately reported to Alpha Architect and your custodian.

In addition to the account statements provided by qualified custodians, we may also provide account statements or reports on a periodic basis, at your request. These statements are intended to complement, not replace, the statements provided by your qualified custodian. Alpha Architect's statements may vary from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities. However, please note that custodian statements reflect the official books and records for your account.

The principal risk associated with this limited form of custody is that a fee will be deducted that we are not entitled to under the terms of your agreement. This risk can be mitigated by carefully reviewing the account statements your custodian sends to you. You may request a copy of your invoice from Alpha Architect by contacting [aacompliance@alphaarchitect.com](mailto:aacompliance@alphaarchitect.com) or by calling (215) 882-9983.

In no other way – either directly or indirectly – do we have custody of funds or securities. We do not accept delivery of client securities, e.g., stock certificates, stock powers, bonds, etc., or checks and we have procedures in place to deal with instances of ‘inadvertent custody’ should they occur.

## ITEM 16 – INVESTMENT DISCRETION

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Generally, clients retain Alpha Architect on a discretionary basis upon execution of a management agreement. Alpha Architect typically has discretionary authority with respect to the investment decisions on behalf of clients pursuant to the management agreement(s).

Prior to assuming discretion in managing your assets, we enter into a written investment management agreement with you that sets forth the scope of our discretion. The agreement gives the us the authority to determine the timing and amount of securities and other instruments to be purchased and sold for your account. Investments for your accounts are managed in accordance with your stated investment objectives, strategies restrictions and guidelines. Because of the differences in investment objectives and strategies, risk tolerances, tax status, liquidity considerations, and other criteria, there may be differences among clients in invested positions and amounts held.

Alpha Architect may also maintain non-discretionary authority pursuant to the management agreement(s). This arrangement gives the client the authority to determine the timing and amount of securities and other instruments to be purchased and sold for their account (subject to restrictions on Alpha Architect's activities set forth in the applicable agreement and any written investment guidelines).

## ITEM 17 – VOTING CLIENT SECURITIES

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Alpha Architect has adopted proxy voting policies and procedures. Unless negotiated separately on a case-by-case basis, we do not have discretionary authority to vote any proxy with respect to any security held in a Client's portfolio.

In instances where we are asked to vote a proxy, we will act in your best interest in determining whether and how to exercise your investment rights as a securities holder, including whether and how to vote on any proxy voting matter and how to respond to corporate actions.

Additionally, from time to time, Alpha Architect may be unable to cast a vote prior to the cutoff date for reasons including, but not limited to, timing of transferring proxy information or account setup. Alpha Architect does not view non-voted proxy ballots to be a material issue for either the clients or Alpha Architect's investment strategies. Alpha Architect typically follows a systematic, research-driven approach, applying quantitative tools to process fundamental information and manage risk, significantly reducing the importance and usefulness of the proxies Alpha Architect receives and votes, or causes to be voted, on behalf of its clients.

If we have been delegated proxy voting authority, we will provide you with a copy of our proxy voting policies and procedures and information on how your proxies were voted. Clients may contact [aacompliance@alphaarchitect.com](mailto:aacompliance@alphaarchitect.com) to request additional information on how their proxies were voted.



## ITEM 18 – FINANCIAL INFORMATION

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We are a qualified custodian as defined in Rule 206(4)-2 of the Advisers Act, and we are not required to include a balance sheet for our most recent fiscal year, which ends September 30. We are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to you, nor have we been the subject of a bankruptcy petition at any time during the past ten years.

## PRIVACY POLICY

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Alpha Architect is strongly committed to preserving and safeguarding our clients' personal financial information. Confidentiality is extremely important to both us and our clients, and we therefore take strict measures to protect the confidentiality and security of our clients' personal information.

### WHY WE COLLECT INFORMATION

As your investment adviser, it is contractually necessary to collect certain information from you in order to manage your investments.

### PERSONAL INFORMATION

To provide financial planning and investment services, we collect nonpublic personal information (NPI) from our clients. The categories of nonpublic personal information collected from a client depend upon the scope of the client engagement. It may include information about the client's personal finances, information about transactions between the client and third parties, information from custodians, banks, or other financial institutions, information from the client's other advisors, and information collected from written or verbal communications with the client.

We do not disclose any of our clients' personal information to anyone except as permitted or required by law. We do not disclose any of our clients' personal information to affiliated or nonaffiliated third parties (such as our clients' other professional and/or service providers) without our clients' authorization and consent and only for the purpose of providing services on our clients' behalf.

Federal law allows you the right to limit the sharing of your NPI by "opting-out" of the following: sharing for affiliates' everyday business purposes – information about your creditworthiness or sharing with non-affiliates to market to you.

State laws and individual companies may give you additional rights to limit sharing.

At any time, you may request, in writing, details regarding the non-public information that we have retained. Our ability to fulfill this request may be limited if this request may expose the personal data of another person. Please notify us immediately at our address or telephone number if you choose to opt out of these types of sharing.

## PROTECTION AND DISPOSAL OF INFORMATION

Alpha Architect has instituted certain technical, administrative and physical safeguards through which Alpha Architect seeks to protect personal information about current and former clients from unauthorized use and access in the following ways:

- Technical procedures are used in order to limit the accessibility and exposure of client information contained in electronic form.
- Administrative procedures are used in order to control the number and type of employees, affiliated and nonaffiliated persons, to whom customer information is accessible.
- Physical safeguards have been established to prevent access to client information contained in hard-copy form. As these procedures illustrate, Alpha Architect realizes the importance of information confidentiality and security and emphasizes practices which are aimed at achieving those goals.

When no longer necessary, all records are disposed of in accordance with commonly accepted industry practices.

## INACTIVE OR FORMER CLIENTS

If you decide to close your account with our Firm, we will continue to adhere to our privacy policy and related practices with respect to your account as described herein. Additionally, you may request, in writing, that we remove your non-public information from our files. However, it is important to note that we are only able to fulfill this request if it does not violate state or federal record retention regulations and these regulations require most client data to be retained permanently.

## QUESTIONS

Alpha Architect welcomes questions and comments about our Privacy Policy. Please call us at +1.215.882.9983.