



Form ADV Brochure Part 2A

ETF Model Solutions, LLC
DBA Embark

W6272 Communication Court
Appleton, WI, 54914-8531

Phone: (920) 785-6012

Fax: (920) 227.0521

<http://www.Embark-Invest.com>

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This brochure provides information about the qualifications and business practices of ETF Model Solutions, LLC as it relates to Embark™ services. If you have any questions about the contents of this brochure, please contact us at (920) 785-6012 or by email at: Tim@ETFModelSolutions.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about ETF Model Solutions, LLC and Embark is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for ETF Model Solutions, LLC is: 168410.

ETF Model Solutions® is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

ETF Model Solutions, LLC amends this Brochure at least annually. This Item of the Brochure will discuss material changes that are made to the Brochure and provide clients with a summary of such changes. We will provide you with a new Brochure as necessary based on changes or new information, without charge. Currently, a copy of our Brochure may be requested by contacting Robert Riedl, Chief Compliance Officer at (920) 785-6011.

The following material changes have been made since the firm's last annual update of Form ADV Part 2A dated February 9, 2023:

- **Item 4. Advisory Business Information.** Added language with respect to the following:
 - *Clients should speak directly with Embark when establishing a new account or setting up new goals.* Clients must provide Embark with accurate and current information, and promptly notify Embark directly by speaking with an Embark IAR when there is a change in their investment objectives, risk tolerance, or financial information. Embark, and not Betterment is responsible for managing Client goals and suitability of Custom Portfolios. For persons contemplating opening an account, or for existing Clients seeking to establish a new goal, Embark strongly recommends that Clients speak directly with an Embark IAR prior to funding a new account or new goal to ensure the account is invested in a risk-appropriate Custom Portfolio. Speaking directly with an IAR affords Clients the opportunity to present information concerning other fiscal and personal circumstances that the Betterment algorithm does not or cannot consider when interacting solely with the Interface.
 - *Betterment's advice algorithm operates differently when providing recommendation for new clients vs. existing clients creating new goals.* We have updated language regarding the limitations of Betterment's advice algorithm, including as it applies to Custom Portfolios. To summarize, the advice algorithm operates differently for clients opening new accounts than for existing clients creating new goals. Clients opening new accounts will be provided with a recommended portfolio intended to fit their risk profile. The process operates differently for existing clients that create a new goal when Betterment's advice algorithm recommendation will always default to the most conservative Custom Portfolio. This recommendation may or may not be the optimal Custom Portfolio to meet a Client's goal and risk tolerance. In these instances, an Embark IAR will contact the client to conduct a risk assessment and assist the client in selecting the appropriate Custom Portfolio suitable for the desired goal. Embark encourages all Clients establishing new goals to proactively contact an Embark IAR directly via email or phone to assist in selecting the risk-appropriate portfolio consistent with their goal. Existing clients that do not proactively contact Embark prior to establishing a new goal and funding that account will remain invested in the most conservative portfolio option until either the Client or an Embark IAR directs Betterment to make the change to another model. Embark IARs will only make this change after speaking directly with the Client and determining which is the optimal portfolio for the Client's needs.
 - *Portfolio drift.* Betterment provides Embark with portfolio rebalancing tools to manage portfolio drift. When determining which drift method to utilize, Embark considers the drift management method that we believe benefits our client base as a whole. The drift management method and settings that Embark selects may not affect all clients equally. Clients seeking to disable portfolio rebalancing in their accounts should contact Embark directly.
 - *Account transfer fee.* Betterment has enacted a \$75 transfer fee, effective July 1, 2023, for partial or full outgoing account transfers.
 - *Tax consideration, Betterment tax-related features and limitations.* Added language related to Tax-Coordinated Portfolio Services offered by Betterment (previously not available to Embark Clients) and the considerations Clients should evaluate prior to using this service. Amended language related to Tax Loss Harvesting ("TLH") features offered by Betterment.

Embark may assist clients with enabling features and functions of the Betterment Platform that implement or manage certain tax strategies in taxable accounts, but clients are solely responsible for the decision to enable these features. Adds language regarding the limitations, potential increased costs, differing security performance, and risks of enabling TLH and Tax-Coordinated Portfolio Services. Clients are responsible for all tax consequences resulting from transactions in their account.

- *Additional services.* Describes additional services that Betterment makes available to Embark Clients, including cryptocurrency trading, cash management accounts, and checking accounts with associated debit card services. These services are provided by Betterment. Clients can accept these services at their sole discretion and are under no obligation to accept them. Embark does not receive compensation of any kind from Betterment with respect to these additional services.
 - *Clients can influence Betterment's discretionary management of their account.* Turning on or off automated Platform features such as Tax Loss Harvesting, Tax-Coordinated Portfolios, or automated Drift-Based Rebalancing can influence Betterment's discretionary management of their Accounts.
 - *Embark may have view-only access to additional services.* For Embark Clients that are employed by a company that utilizes Betterment's 401(k) offering, Betterment at Work, Embark IARs may also manage Client's Betterment 401(k) account, provided the Client delegates investment management authority of their 401(k) to Embark. Embark IARs can view Clients' Betterment checking account in the Betterment for Advisors Dashboard. Embark can view Clients' health savings accounts (HSAs) if the Client has a Betterment HSA through their employer.
 - Certain features of the Interface may not work or may be limited in conjunction with Embark's use of Custom Portfolios (relative to features that would otherwise be available or functional for Betterment-designed portfolios).
 - Additional portfolios may include portfolios designed and managed by Embark.
- **Item 5. Fees.** Language added includes:
 - Betterment reviews the Sponsor Fee rate charged to Clients on a quarterly basis.
 - Updated fee schedule.
 - Householding. Embark clients that are also clients of Embark's affiliate (EWM) may benefit from account aggregation aggregate or "household" the non-qualified account values.
 - **Item 8. Investment Strategies, Methods of Analysis and Risk of Investment Loss**
 - *Custom Portfolios.* Adds language defining Custom Portfolios, how they are implemented by Betterment, and that Embark is responsible for ensuring Custom Portfolios are suitable for Clients. Adds definition of Betterment Constructed Portfolios.
 - *Financial Planning.* Embark does not provide comprehensive financial planning.
 - *Embark may diversify concentrated target allocations.* Updates information with respect to concentrated portfolio allocations to certain ETFs may be diversified across multiple ETFs.
 - *Risks.* Added information on risks, including access interruption risk, general risk of ETFs, Digital (crypto) ETF risks,
 - **Item 10. Other Financial Industry Activities and Affiliations.**
 - Added disclosure language regarding fee conflicts between EWM and ETFMS, insurance referrals, and a related person (accountant).
 - **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.**

- Adds language with respect to services Embark receives from Betterment and Betterment Securities that could be deemed a conflict of interest.
- **Item 12** Brokerage Practices.
 - Adds language describing Betterment's order aggregation practices.
- **Item 15.** Custody.
 - Adds language that Betterment Securities Clients with IRAs agree to specific custody agreements with Millennium Trust Company, custodian for Betterment IRA accounts.
- **Item 16.** Investment Discretion.
 - Betterment provides Embark and Clients with information about its offered portfolio strategies to inform and assist in their decision-making but does not make recommendations to Clients that they invest in any particular strategy.
 - Adds language that Betterment will allocate the Client's accounts in accordance with Embark's parameters specified in the Custom Portfolio rather than based on Betterment's own investment methodology. Clients can accept the recommended Custom Portfolio or accept a different Custom Portfolio at their own discretion.
- **Item 17.** Proxy voting.
 - Updates language that Betterment will only vote on proxies and respond to corporate actions associated with securities that Betterment currently selects for Betterment Constructed Portfolios (those created by Betterment) and will abstain from voting on other securities, including but not limited to those securities only present in Third-Party Portfolios, including, Embark Custom Portfolios
 - Added language regarding Embark's role in assisting clients with proxies, and our procedure for forwarding proxies received by Embark.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Embark is a digitally based investment advisory service that is developed and managed by ETF Model Solutions, LLC (“ETF Model Solutions,” “ETFMS,” or the “Firm”). ETF Model Solutions® is a registered investment adviser operating as a Limited Liability Company organized in the State of Wisconsin. Embark was started in 2016 under the name “MyRoboAdviser™”. In December 2022, the business was rebranded to Embark™. ETF Model Solutions was founded in 2013.

This Brochure describes our services and fees. As used in this Brochure, the words “Embark,” “we,” “our” and “us” and “Firm” refer to ETF Model Solutions DBA Embark and the words “you,” “your” and “Client” refer to you as either a Client or prospective Client of Embark. As used in this brochure, Investment Adviser Representatives (“IAR” or “IARs”) are the individuals providing investment advice to Clients on behalf of Embark.

ETF Model Solutions specializes in constructing 3-dimensional portfolios based on the endowment model of investing, which we call the Endowment Investment Philosophy®, or “EIP.” The EIP employs an asset allocation methodology pursued by significant universities like Yale and Harvard, expanding the number of asset classes and strategies beyond stocks and bonds to include alternative assets such as hedge funds, private equity, and real assets. Embark’s use of alternatives seeks to increase return, reduce risk, or a combination thereof. ETF Model Solutions refers to this third dimension as a portfolio’s “Risk Managed” segment.

As it applies to Embark services, the EIP is a buy-and-hold asset-allocation strategy, allocating a portfolio among a wide range of asset classes represented by indexed Exchange Traded Funds (ETFs).

Before rendering any services, Clients must enter into one or more written agreements with ETFMS setting forth the relevant terms and conditions of the advisory relationship between you and us.

Embark is a level-fee investment adviser and serves its Clients as a fiduciary – the highest standard of care. As an independent adviser, we have no affiliation with any of the investments we recommend. We do not have a financial incentive to select any investment over another. The Brochure’s purpose is to help you understand the nature of the advisory services provided by Embark, help you determine whether the advisory services offered are right for you, and disclose the potential conflicts of interest associated with your choice to do business with us. You should review it carefully.

ETF Model Solutions model management services provided through turnkey asset management platforms are disclosed in a separate Form ADV Part 2A. You may access that information at: <https://adviserinfo.sec.gov/firm/brochure/168410>.

B. Types of Advisory Services

Embark provides investment advisory services to individual investors, businesses, trusts, and other “retail” client types. Embark generally offers its services over the Internet through the website www.Embark-Invest.com and directly to Clients via phone or email communications and, to a lesser extent, in-person meetings. Through the automated platform and direct client contact, Embark makes its diversified ETF portfolios available to assist clients seeking to attain identified investment objectives.

Embark has partnered with Betterment for Advisers to provide the wealth management platform that enables us to deliver ETF model portfolios (Custom Portfolio) to our Clients. Betterment for Advisers is a digital wealth management platform generally serving investment advisory firms like Embark. Betterment for Advisers is an online wealth management service that provides automated, algorithm-based portfolio management advice, commonly called a “robo” advisor. Robo-advisors offer an

alternative to traditional advisors by using technology to deliver advice and portfolio management digitally. However, they may only sometimes provide more comprehensive tax, retirement, or estate planning services.

Betterment LLC (“Betterment”), an SEC-registered investment adviser, is a sub-advisor to Embark Clients. MTG LLC, dba Betterment Securities (“Betterment Securities”), a registered broker-dealer and member of FINRA and the SIPC, serves as broker-dealer and custodian for Embark’s Clients in the Program. Embark is not affiliated with and is independent of Betterment and Betterment Securities, respectively.

Betterment For Advisors Platform and Wrap Fee Program. Embark delivers its investment portfolios to Clients through Betterment’s Wrap Fee Program (the “Program”). Betterment is the Program Sponsor (“Sponsor”). A wrap fee program is a consolidated fee structure that offers all services related to managing clients’ assets, including advisory, sub-advisory, custody, and trading in one bundled fee, with no additional fees for the execution of trades. You can learn about Betterment and Betterment Securities’ business practices concerning the Program, including Betterment’s brokerage practices, by reviewing the Betterment Wrap Brochure, a copy of which can be accessed on the SEC website at <https://adviserinfo.sec.gov> and searching for the firm name “Betterment LLC.”

Tailored Services and Investment Restrictions.

To use Embark’s services, Clients must provide to us certain information regarding their financial situation goal preferences. This information can be provided by speaking directly with an Embark IAR, or through Betterment’s online application. To set up an investing account through the Betterment for Advisors Platform (the “Platform”), Clients must select an investment goal, to which Betterment will recommend a Custom Portfolio (Kayak, Sailboat, Ferry, Yacht, Cruise Ship, or Speed Boat). The Client can then approve or change the selection to a more conservative or aggressive Custom Portfolio. Embark recommends that Clients contact one of our IARs directly prior to accepting the recommended portfolio, which will offer them the opportunity to share additional details about their investment objectives. The guidance provided by Betterment in the online application does not consider any information that is not or cannot be provided in the Interface. Since Embark is ultimately responsible for ensuring that our Clients are placed in suitable investments Clients must speak with an Embark IAR and provide sufficient information on their goals and risk tolerance to ensure the Custom Portfolio is suitable for their goals and risk parameters.

Embark is solely responsible and maintains discretionary authority for constructing the Custom Portfolios utilized in the Program, which involves selecting the securities and replacement securities (used for tax loss harvesting, if enabled by the Client or by Embark, which can be affected solely upon the request of the Client) used within the portfolios and determining the suitability of investment choices for Clients. Betterment For Advisors maintains a universe of ETFs and cash equivalents from which Embark may construct its portfolios. Betterment For Advisors will implement the portfolio(s) as instructed by Embark and is responsible for the discretionary trading of the ETFs in the Client’s portfolio. Clients, or Embark on Clients’ behalf, can influence Betterment’s discretionary management of their accounts by turning on or off several of Betterment’s automated portfolio management features, including Tax-Loss Harvesting, Tax-coordinated portfolios, or automated drift-based rebalancing.

Betterment for Advisors, under its discretionary authority, will review, and if deemed appropriate, automatically adjust, and rebalance Client accounts daily, based upon the drift tolerance that Embark has established for the positions in each investment portfolio, subject to tax and other considerations within the Betterment algorithm.

The services that Betterment provides Embark and our Clients include the following services:

- *Goal-Based Investment Management*: Betterment's goal-based investment platform allows us and our Clients to identify one or more investment goals and then recommend corresponding portfolios suitable to assist the Client in attaining the established goal(s).
- *Portfolio Construction Tools*: Betterment's tools offer us the ability to create proprietary portfolio strategies of our own design ("Custom Portfolios") that we then offer to our Clients. In addition, Betterment offers us various sets of "Core" or additional portfolio strategies ("Additional Portfolios"), some of which are comprised of low-cost, index-tracking ETFs designed by Betterment or unaffiliated third parties that we may or may not, in our own discretion make available or recommend to Clients. Embark generally does not offer these Core portfolio strategies to our Clients.
- *Automated Investment Management Services*: Betterment's algorithms automate back-office tasks such as trading, portfolio management, tax loss harvesting, and account rebalancing.
- *Website and Mobile Application*: Betterment's website and mobile application provide a platform for account access and monitoring and delivery of account documentation and notices.
- *Advisor Dashboard*: Betterment provides us access to a dashboard for purposes of monitoring and managing Client accounts.

Embark has chosen to affiliate with Betterment for Advisors due to their ability to provide our Clients with customized portfolios, automated investing and rebalancing features, and competitive, asset-based fees (no commissions).

The Betterment Wrap Fee Program allows us to achieve our mission of providing our 3-dimensional EIP portfolios to Clients in a simplified, cost-efficient manner. Through the Program, Clients can add or withdraw money from their accounts and receive investment direction that impacts their account holdings /without incurring any separate expenses for resulting trades. Effective July 1, 2023, Betterment began assessing a \$75 fee for account transfer. Betterment's transfer fee does not apply to ACH withdrawals.

Embark's investment advisory services to Clients in the Program are facilitated through a website and technology interface (the "Interface") operated by Betterment for Advisors. Thus, when a Client signs up and/or logs in to their Embark account through the link provided at www.Embark-Invest.com, they are transferred to the Interface of a website operated by Betterment.

Embark Clients may include individuals, trusts, and other legal entities (subject to Betterment's approval and policies) who are U.S. residents and maintain a checking account with a U.S. bank. Embark can offer only the account types permitted by Betterment. Individual, joint, and trust accounts, as well as regular and Roth individual retirement accounts (IRAs) and SEP IRAs are the account types currently available through the Program. There is no minimum account size to maintain an account with Embark.

Investment Advisory Services Based on an Algorithm

Embark uses algorithms designed and operated by Betterment to assist us in managing our Client accounts in the Program. Betterment's advisory personnel develop, oversee, and monitor the algorithms. Embark has no control over Betterment or Betterment's algorithms.

When Clients sign up for an Embark account, the Interface prompts them to enter certain information, including age, income, and a choice to select one of a selection of goal types they are seeking to achieve (Major Purchase, Education, Retirement, Retirement Income, General Investing, and Safety Net), target amount and the time horizon of the goal.

- Betterment's algorithm includes a probability-weighted projection model to build a recommendation based on a range of outcomes. For example, how long before you need your money is one of the most critical determinants of how much risk the investor should take. Long-term investing objectives allow

investors to assume more risk and remain on track to reach their goals safely. When combined with the Client goal inputs and the capital market assumptions built into the algorithm, the system generates a recommended Equity Goal or a “Risk Ratio” (the recommendations will generally be based only on the assets in the Account and will NOT take into account any assets or liabilities held outside the Account). Based on this Equity Goal, the algorithm generates a recommended portfolio or Target Allocation (the “Allocation”). A Target Allocation is the collection of exchange-traded funds (ETFs) representing various asset classes or “Security Groups” that comprise one of our six Custom Portfolios. **The algorithm is the sole basis for the advice provided in the recommended Allocation.** Embark designs and manages the Allocations used in the Program. Embark IARs can assist clients and gather additional information that they may then take into consideration when recommending an appropriate Allocation for your Account. Speaking with an Embark may lead to a different portfolio recommendation than if you rely solely on the algorithm. Embark recommends that you always speak with an Embark IAR prior to selecting a portfolio recommendation from the Program.

Clients must provide Embark with accurate and current information, and promptly notify Embark directly by speaking with an Embark IAR when there is a change in their investment objectives, risk tolerance, or financial information as the Platform may sometimes default to the most conservative portfolio, which may or may not match with your goals and risk parameters.

Clients should frequently review their account information. Embark advises Clients to contact an Embark IAR or log onto the site and update their information whenever there is a change to their financial circumstances or investment goals. Embark can only provide Clients with suitable Allocation recommendations when Clients provide us with accurate information. Clients are also responsible for promptly updating their address and contact information upon a change of address.

Betterment algorithms also generate advice regarding other investment decisions, including but not limited to Allocation selection, savings and withdrawal rates, automatic rebalancing, and account type selection. When Clients make deposits or withdrawals from their accounts or donate shares, an algorithm determines the specific securities to trade based on the Client’s Custom Portfolio, portfolio drift, current tax lots, and other directions that the Client has provided to Betterment. Algorithms also determine the specific trades that are made in a Client’s account to affect such services when Clients opt into Betterment’s tax loss harvesting services (“Tax Loss Harvesting” or “TLH”). Clients can access details on each of these services, including the operation of the underlying algorithms in the Betterment Wrap Brochure, a copy of which can be accessed on the SEC website at <https://adviserinfo.sec.gov> by searching for the firm name “Betterment LLC.”

Risks of Algorithms

Algorithms may not perform as intended for various reasons, including but not limited to incorrect assumptions, changes in the market, or changes to data inputs. Betterment may periodically modify these algorithms, computer code, or underlying assumptions, changes that may have unintended consequences. Clients contemplating an automated digital or “robo” investment advisory program may access additional information regarding relevant considerations in the Investor Bulletin from the U.S. Securities and Exchange Commission available at: https://www.sec.gov/oiea/investor-alerts-bulletins/ib_robo-advisers.html.

Availability and Functionality and Limitation of Interface Tools

Betterment’s online Interface provides tools to help Clients (and us) establish goals, invest in one or more Custom Portfolios, project Clients’ expected returns, plan for retirement, select account types, understand their risks, access information related to transactions, and review their account’s prior performance. **Betterments Interface tools are designed based upon research for Betterment’s two-dimensional Stock-Bond portfolios and may not apply to Embark’s 3-dimensional EIP portfolios.**

Embark Investment Portfolio Recommendations

Embark, not Betterment, is responsible for managing any goal for which a Custom Portfolio is elected based on a Client's financial situation and investment objectives. Furthermore, Embark, not Betterment, is responsible for determining the suitability of the Custom Portfolios concerning the Client investment objectives. Betterment does not evaluate whether any Custom Portfolio is suitable for any Client's investment objectives, either at the time of election or on an ongoing basis. For persons contemplating becoming Clients of Embark, or for existing Clients contemplating the establishment of a new goal, Embark strongly recommends that you speak directly with an Embark IAR prior to establishing the account or goal to ensure your account is invested in a risk-appropriate Custom Portfolio.

Embark has designed its Custom Portfolios to meet the objectives for various Client goals, thus providing individualized investment advice. Embark primarily delivers its advisory services through the Interface. Embark does not perform traditional financial planning, estate planning, or tax planning. However, Embark IARs will assist Clients in selecting a suitable Custom Portfolio. Embark IARs will also consult with Clients who have questions about the portfolios offered, asset allocation, and basic personal finance questions.

For all new goals created by existing Clients, the Custom Portfolio functionality of the Betterment Platform defaults to recommend Embark's most conservative portfolio offering. Clients seeking moderate or more aggressive portfolio options for new goals must manually adjust their investment to a more aggressive portfolio or contact an Embark IAR directly for guidance in adjusting the recommended Custom Portfolio. While Embark IARs monitor all goals established by Clients, we recommend that each client proactively speak directly with an Embark IAR when creating a new goal within an existing account for assistance in selecting a suitable Custom Portfolio aligned with your intended goal and risk parameters.

Clients with more sophisticated financial questions are provided access to IARs with a CFP (Certified Financial Planner) certification. Clients should carefully consider the entire range of our services before determining whether to engage Embark.

Betterment designed the algorithm to recommend one of Betterment's 101 two-dimensional investment portfolios of stocks and bonds. Betterment identifies its two-dimensional portfolios by "Equity Goal" or the percentage of equity in the account required to help reach the intended goal. For example, Betterment's "0% Equity" or "0-100" (100% bonds) portfolio is a very conservative allocation intended for short-term goals. Conversely, Betterment's "100% Equity" or "100-0" (100% stocks) portfolio is suitable for aggressive, longer-term goals (such as retirement) where an investment primarily in equities is required to reach the intended outcome.

Betterment's Interface asks the Client to establish a goal, defined as a future spending need. After opening their account, Clients initiate the advice process by selecting one of six Goal Types, including Major Purchase, Education, Retirement, Retirement Income, or General Investing. The Interface may ask additional questions for some Goal types.

Betterment's algorithm uses the Client inputs and capital market assumptions to generate an Equity goal. Based upon the Goal Type and instructions provided by Embark to Betterment. The Equity Goal recommendation will correspond to one of the six portfolios or Custom Portfolios designed by Embark that fit within respective ranges of Equity Goals as summarized in the table below:

Approximate Equity Goal Range	Assigned Portfolio Name	Portfolio Description	Portfolio Type
0-9	Kayak	Ultra Conservative	2D Bonds Only
10-29	Sailboat	Conservative	3 Dimensional
30-49	Ferry	Conservative Moderate	3 Dimensional
50-69	Yacht	Moderate	3 Dimensional
70-89	Cruise Ship	Moderate Growth	3 Dimensional
90-100	Speed Boat	Aggressive Growth	2D Stocks Only

Other than our most conservative (Kayak) or most aggressive (Speed Boat) portfolio, the Custom Portfolios constructed by Embark are based upon a 3-D allocation methodology and, to a lesser extent, the three-dimensional holdings in the Endowment Index[®] calculated by Nasdaq OMX[®]. You cannot invest directly in the index; indexes do not contain fees. These 3-dimensional EIP portfolios consist of allocations to stocks, bonds, and a third broad asset class, alternative investments. Alternative assets may include direct or indirect (proxy) allocations to hedge strategies, private equity, and real assets.

The conservative (Kayak) and aggressive (Speed Boat) portfolios are constructed solely of bonds or stocks. Clients with short-term goals should select the Kayak portfolio, as it holds short-term bonds to meet its primary objective of capital preservation. Aggressive Clients seeking capital appreciation should select the Speed Boat portfolio, comprised solely of equity ETFs. The 2-dimensional Kayak and Speed Boat portfolios we offer may or may not be similar or identical to the corresponding Equity Goal portfolios that Betterment provides directly to retail clients in its wrap program. Clients may access these portfolios from Betterment at a lower cost than through Embark.

The outcome of the portfolio recommendation generated by Betterment's algorithm is based solely on Client responses to the online questionnaire. Therefore, Clients must provide accurate inputs. The recommended Allocations for each Client goal does not consider other portfolios or assets a Client may have. Each portfolio solution only considers the specific goal category that the Client seeks to obtain. The algorithm does not evaluate outside assets, tax considerations, debt, or other financial circumstances in its calculations.

Embark does not provide Clients with a comprehensive financial plan. Instead, Embark advises Clients on how to achieve distinct financial goals. Clients can establish goals through the Interface or by speaking directly with an IAR, who can guide Clients through the process. Embark's recommendations are highly dependent on receiving accurate information from Clients. If Clients provide the Interface or one of our IARs with inaccurate information (or fail to update personal information when it changes promptly), it could materially impact the quality and applicability of Embark's recommendations. There might be other information not elicited by the Interface that could improve the advice provided by the algorithm if it were provided to Embark or Betterment, even in cases where Clients provided such information to us via phone or email communications.

While Embark believes our six Custom Portfolios made available in the Program are sufficient to meet a wide range of Client goals, the limited number of solutions we provide cannot possibly meet every single Client goal imaginable, and there will be instances where the Interface will not be able to match an Allocation to the needs of a Client's Goal directly. When this occurs, the Interface will provide a Custom Portfolio recommendation that is closest to the Equity Goal or risk level needed and indicates that the recommended Custom Portfolio is "conservative," "too conservative," "aggressive," or "too aggressive" to meet the intended Client goal. In these instances, we recommend that Clients contact Embark and speak with one of our IARs for guidance on selecting the most appropriate Custom Portfolio to meet their needs.

Embark IARs can assist Clients in establishing new goals, modifying the recommended portfolio, and selecting a Custom Portfolio based on other fiscal or personal circumstances that the algorithm does not or cannot consider. Clients with additional assets, other portfolios, or financial circumstances are encouraged to interact with one of our IARs directly via the contact information provided in the Interface.

Clients Control the Final Portfolio

Clients can accept the recommended Custom Portfolio or, at their discretion, override the recommendation and select a more conservative or aggressive portfolio. If investors modify the selection too much, the tool on the Advice tab will indicate that the Custom Portfolio they selected may be too conservative or too aggressive for their goal. More aggressive Custom Portfolios offer the potential for greater returns but also increase the portfolio's volatility (risk). The Client's sole discretion is to accept the recommended Custom Portfolio or select one of the other options.

Changing a Custom Portfolio.

Over time, as a Client goal nears its "target date," the algorithm will gradually recommend less aggressive (more conservative) Custom Portfolios (i.e., a "glide path"). While Betterment offers a feature that automatically adjusts Clients' portfolios to conform to the "glide path" (a process that seeks to reduce the portfolio's risk as it gets closer to its intended use date), **this feature is not currently available for Embark Clients invested in our Custom Portfolios.**

Clients should frequently monitor each goal's recommended portfolio to ensure that the invested portfolio matches the Interface's suggested Custom Portfolio. When the suggested portfolio has changed to a more conservative Custom Portfolio, the Client (or the IAR on the Client's behalf) must manually adjust the portfolio to the recommended Custom Portfolio. For questions regarding this process, we recommend that Clients contact Embark or Betterment for assistance. Clients with questions should contact Embark via the phone number available in the Interface before making any adjustments. Betterment's algorithms include base-level Equity Goal target assumptions, which vary depending on the Goal Type and may range from 0 (0% Stocks) to 53% or more. A "base-level" Equity Goal Target is the minimum allocation to equities within an Allocation.

Embark will not unilaterally move a Client from one Custom Portfolio to another. Clients must make these changes independently through the Interface or by requesting the change by speaking directly with an Embark IAR. Changing to a different Custom Portfolio may result in tax consequences, including long- or short-term capital gains and losses. The Interface will provide an estimate of the tax costs of making a change. Clients should consider these consequences before automatically making a Custom Portfolio change based solely on the Interface recommendation. Clients are responsible for all tax consequences resulting from transactions in their account.

Tracking Goal Progress

As the Client portfolio value fluctuates, Betterment's algorithm will provide the Client with feedback such that the Client is "On Track" or "Off Track" to meet their goals based upon the current value of the account, the existence of regular contributions, and the target amount and target date of the goal. Betterment's algorithm determines this feedback based on the capital market assumptions and probability calculations based on the holdings within Embark's Custom Portfolios. This feature is displayed only if the Client completes the Goal Forecaster in its entirety.

If a Client is "Off Track," the algorithm provides suggestions to help the Client get on track. These suggestions include adding a lump sum to the account, initiating, or increasing the amount of systematic transfers into the account, reducing the target goal amount, or increasing the portfolio equity goal percentage.

Retirement Goal Tracking.

Betterment's system will require Clients to input retirement income goals and assumptions. Clients should complete the Retirement Plan section, review, and update your assumptions, and contact us with questions. If a Client does not provide these inputs, the Interface will indicate that they are "Off Track" to achieve the Client's retirement plan goals.

Allocation Changes

Embark Clients are subject to Betterment's Allocation Change Policy. When the Client (or an Embark IAR acting upon a Client's request) modifies a goal or the Allocation target (which subsequently moves their investment to a different Custom Portfolio than the one in which they are currently invested), Betterment will initiate and provide instructions to Betterment Securities. Betterment Securities will enact the requisite trades to rebalance the account to the new target Custom Portfolio. Custom Portfolio change requests made during market hours will trigger Betterment to generate orders to rebalance the account immediately. After Betterment places an order with Betterment Securities, they are subject to immediate execution and cannot be canceled or modified. A Client may only make one goal or investment strategy change per day. Not all of Betterment's change policies are described here. To review a complete and current list of those policies, please visit Betterment's website at www.betterment.com/transactions.

Ability to Consult Directly with an Adviser

When a Client opens an account, one of Embark's IARs will seek to contact the new Client via email or phone call to introduce our service and offer Clients the opportunity to ask questions. When an existing Client establishes a new goal, one of Embark's IARs will seek to contact the Client to verify the Client's goals and provide assistance to invest the portfolio in a risk-appropriate Custom Portfolio.

Clients with questions about the recommended portfolio or how it relates to their overall investment goals are encouraged to contact Embark via phone and speak with an IAR. Embark IARs possessing CFP certifications are made available to Clients to respond to personal financial questions on an as-needed basis or by Client request.

Additional Portfolio Availability

Embark may make additional ETF portfolios available to Embark clients at our discretion. Additional portfolios may be developed and managed by Embark, Betterment, or unaffiliated managers. These Additional Portfolios are mostly two-dimensional (consisting primarily of ETFs holding stocks and bonds). Embark may make these Additional Portfolios available to specific Clients on a case-by-case basis. Clients must request access to Additional Portfolios, although sometimes, an IAR may suggest or recommend their use. Embark IAR must manually enable Additional Portfolios to be accessible in a Client account, as the Betterment Platform does not make them available automatically. Embark will not activate Additional Portfolios in an account without Client's consent.

Additional Portfolios may have embedded expense ratios that are lower or higher than Custom Portfolios created and managed by Embark. The performance of Additional Portfolios may be lesser or greater than the Custom Portfolios created by Embark. Clients may be able to access Additional Portfolios directly from Betterment for a lesser fee.

Investor Portfolio Interface and Display: Limitations of the Betterment Website as it Pertains to Embark Clients

Betterment's Interface was designed to operate based on Betterment's two-dimensional portfolio structure across a universe of 101 portfolios. Therefore, Clients should understand that certain Betterment services and displays may be limited or work differently when applied to Embark's three-dimensional portfolio structure and universe of six portfolios. Betterment's Interface or direct links from the Interface to Betterment's website, including blog posts, FAQs, educational articles, and other digital content, contains many resources and content intended to educate Clients regarding the operational aspects of Betterment's Platform. Clients must be aware that not all of the content provided on the Interface, website, and links are directly applicable to Embark's portfolio solutions and how the Program operates for Embark's Program. Furthermore, the Interface's display capabilities are minimal and do not allow Embark to customize the portfolio allocation portrayals to fit our three-dimensional allocations. As such, certain functions, projections, displays, and FAQs, as presented on the Betterment site, may not apply to the Embark Client's portfolio. These operational limitations may include, but are not necessarily limited to:

- Embark and its Clients are subject to the features and limitations of Betterment's Interface. Embark relies on Betterment's technology Interface to implement the Program. Therefore, Embark and our Clients are subject to the features and limitations of Betterment's Platform, the Interface, and the application experience, all of which are the exclusive property of Betterment. Embark is unable to modify Betterment's Platform, Interface, or application experience. You can find information on Betterment's technology Interface in the Betterment Wrap Brochure, a copy of which can be accessed on the SEC website at <https://adviserinfo.sec.gov> and searching for the Firm Name "Betterment LLC," and on the Betterment website (<http://www.Betterment.com>). Betterment has designed the features, Interface, and the application experience to be functional when applied to two-dimensional portfolios designed and managed by Betterment. For example, Betterment's Platform requires every security to be classified as a stock or a bond. Betterment, not Embark, defines each security as a stock or a bond. The binary stock-bond display configuration cannot portray Embark's three-dimensional portfolio construction portfolios.
- Betterment's Interface defaults to recommending the Kayak (most conservative) portfolio for new goals established by existing clients. For existing clients that create a new goal, Betterment's algorithm automatically defaults to recommend the most conservative Custom Portfolio (Kayak). Each time a Client creates a new Goal, Betterment notifies Embark via email. Embark IARs will then contact the Client to assess the Client's Goal and risk tolerance and make a suitable portfolio recommendation. When the Client has determined which portfolio is acceptable, the IAR will provide instruction to the Client on how to manually adjust the portfolio or may make the change on the Client's behalf, subject to the Client's approval. **Embark encourages all Clients wishing to establish a new goal to proactively contact Embark directly via email or phone when they are creating a new goal. Our IARs will assess your goal and risk parameters to assist in investing your portfolio in a suitable Custom Portfolio.** Existing clients that do not proactively contact Embark prior to establishing a new goal and funding that account will remain invested in the most conservative portfolio option until either the Client or an Embark IAR directs Betterment to make the change to another model. Embark IARs will only make this change after speaking directly with the Client and determining which is the optimal portfolio for the Client's needs.
- Recommended Custom Portfolio may be presented as too conservative or aggressive. There will be circumstances when the algorithm's Recommended Custom Portfolio for a goal is labeled as "conservative," "very conservative," "aggressive," or "very aggressive," and when toggling to the other available portfolios, none of the alternative solutions appear to be optimal. When this occurs, Embark recommends that Clients contact one of our IARs by calling the phone number in the Interface to discuss their goals and to receive assistance in making the proper selection to meet the intended goal.
- Certain features of the Interface, including, but not limited to the "advice tab" and the "portfolio allocation slider" may not work in conjunction with certain Custom Portfolios. Certain features of the Interface may be limited based on Embark's selection of Products, asset classes, asset allocations. Certain features of the Interface may be limited relative to the features that would otherwise be available for Betterment-designed portfolios. Clients may have fewer opportunities to harvest tax losses when they select Custom Portfolio with fewer asset classes for certain Client goals, and a different portfolio strategy for other Client goals relative to a Client who elects a single strategy for all goals.

The graphical outcomes presented on the "advice tab" on the Interface projects the probability of the various dollar outcomes (not adjusted for inflation) based upon expected capital market assumptions, portfolio returns, and risk-free rate assumptions made by Betterment with respect to the potential outcomes for the holdings within the 3-dimensional EIP portfolios created by Embark.

- The Interface Holdings tab displays the recommended or actual Client holdings in both numerical and graphical format. The graphical format is presented by pie chart that with various shades of blue (bonds) or green (stocks). The current weight of each position in the table is also coded in the blue-green format. Betterment's Interface requires every security to be categorized as one of only two asset classes- either a stock or a bond. The Interface does not possess functionality to allow the portfolios to be presented in a three-dimensional portfolio construction and the ETFs in the security groups targeted as alternatives by Embark will not be classified as such by Betterment, including, but not limited to Private Equity, Hedge Funds, Oil & Gas, Metals & Mining, Gold, Managed Futures, Commodities, and Master Limited Partnerships. Thus, for Embark clients, all holdings will be classified as a stock or a bond, as determined solely by Betterment. Any stock-bond or "% Stocks" representation in the display is categorized according to Betterment's Stock-Bond classification. While for many of the ETFs in our Custom Portfolios, the "stock" classification may be technically accurate based solely upon the holdings within the ETFs, this simplistic binary display format does not convey the asset allocation process that Embark is seeking to provide our Clients. Embark does not have the ability to influence the Betterment's Interface display policies.
- The Interface Portfolio Analysis tab portrays numerical asset allocation percentages at the center of the pie charts. The numerical displays do not currently present portfolio compositions in the 3-dimensional EIP portfolio form as classified by Embark. For example, the Managed Allocation pie chart portrays the portfolio allocation as if it were a 2-dimensional portfolio and requires that every security holding in our portfolios be classified by Betterment as either a "Stock" or a "Bond". For the "Overall Allocation and "External Allocations," the numerical asset allocations are required to be represented by four asset classes, including "% Stocks, Bonds, Cash or Other." Embark does not have the ability to edit, modify or otherwise determine how the holdings are displayed in these graphical representations, nor does the Platform permit customized links or disclosures with respect to how our portfolios are presented. Clients or potential Clients can call the Embark service number located within the display of their login portal screen if they have any questions regarding their recommended 3-dimensional EIP portfolio as it is presented on the Interface.
- Certain other information presented on the Interface applies only to the 2-dimensional portfolios and does not apply to the 3-dimensional EIP customized portfolios recommended by Embark. For example, while Betterment provides links to information that suggest that for retirement goals, the portfolio is automatically adjusted to a more conservative portfolio as Client's reach their goal, **this feature is not currently available to Embark Clients.**
- **Clients that elect one custom portfolio for certain goals and a different portfolio strategy for other Client goals may reduce opportunities to harvest tax losses relative to selecting a single portfolio strategy for all goals. These limitations apply solely to Clients that elect to enable TLH on their accounts.**

Clients with questions regarding whether the features on the Betterment Interface apply to their portfolio, questions regarding goal settings, or any other questions with respect to Embark services should contact a Embark investment adviser representative directly by email at service@Embark-Invest.com or by phone using the customer service contact phone number at 920.785.6010. The contact information is also displayed in the Interface. In addition, Betterment for Advisors maintains a customer support line at (888) 400-1571 that Clients may call with questions regarding site navigation or other technical questions.

Investing and Portfolio Rebalancing

The portfolio will be invested (generally on the same day) when the funds are deposited in the account. When a Client accepts a Custom Portfolio recommendation, Betterment's technology engine automatically invests the Client's portfolio according to the target allocations in the recommended or selected Custom Portfolio, investing in either primary or alternate securities to represent each individual

asset class or Security Group. Thus, Clients may have different securities representing the same Security Group within one or more of their portfolios. Embark IARs will reach out to new clients and clients establishing new goals to confirm the portfolio in which the Client is invested is suitable for the goals and risk parameters, and in some instances, the IAR may recommend a different portfolio.

The ETF holdings and the proportions in which they are held in Client's Account are rebalanced at Betterment's discretion to resemble the information and preferences specified by Client in the Interface or in the event of any changes to the ETF holdings as selected by Embark. In the absence of a contrary direction, Betterment rebalances Client accounts so that in the face of fluctuating market prices each Client's portfolio remains controlled to within a defined range (as selected and communicated to Betterment by Embark) of the target allocation with respect to the various security groups in our portfolios.

In the event the security groups within a Client's portfolio are identified by the algorithm as having drifted beyond the percentages defined by Embark and cash flows are not sufficient to enable Betterment to reduce the portfolio drift, Betterment will typically rebalance a Client's portfolio by selling and buying ETFs within the Account, provided that rebalancing will not result in short-term capital gains for the Client. Clients should understand that such transactions may affect the market value of the Account and may also have tax consequences. Clients may instruct Betterment to rebalance Client's Account in response to cash flows by contacting Embark. There is no timing mechanism (i.e., quarterly/annually) involved in the process, and Embark does not have the ability to manually trigger a rebalance for a Client account- the process is entirely driven by account flows or Betterment's rebalance algorithm. Betterment provides Embark with tools to manage portfolio drift through rebalancing. When determining which drift method to utilize, Embark considers the drift management method that we believe benefits our client base as a whole. The drift management method and settings that Embark selects may not affect all clients equally. Clients do not have access to the tools to enable or disable rebalancing. Rebalancing is enabled by default in Client accounts and can only be disabled by Embark's intervention. Clients interested in disabling rebalancing should contact an Embark and speak directly with an IAR. Embark will not accept instructions for disabling rebalancing via email or voicemail instructions.

When Clients deposit to or withdraw money from their Embark account, they are requesting that Betterment purchase or sell available ETFs within their account in amounts that reflect their desired Custom Portfolio. Similarly, when Clients (or Embark) adjusts a Client's Custom Portfolio, Betterment will automatically buy and sell ETFs to rebalance the portfolio to the desired Custom Portfolio.

With respect to account flows, accounts are automatically rebalanced when Clients add or withdraw funds to their account. Betterment's algorithm prioritizes purchases on underweight security groups when dollars are added and prioritizes the sale of overweight security groups when dollars are withdrawn. Dividends are automatically reinvested, prioritizing reinvestment in asset classes that are underweight. When tax-loss harvesting is conducted, the algorithm seeks to reduce account drift.

To participate in Embark's offerings, Clients agree to have their dividends automatically reinvested.

Portfolio Management

Embark monitors and manages the Custom Portfolios that we make available to Clients. Embark may also manage some of the Additional Portfolios we make available to Clients. When we deem it necessary, and in our sole discretion, Embark may modify the mix of securities or securities holdings in one or more of the Custom or Additional Portfolios as part of our portfolio management process.

Tax Considerations

Clients are responsible for the tax impact of all transactions in their accounts. Embark does not provide tax advice. Embark recommends that Clients direct tax questions to a qualified tax professional, who is familiar with the federal, state, and local tax issues applicable to the Client's specific tax circumstances and needs.

Clients with questions with respect to their taxable accounts with Embark should contact one of our IARs directly. Neither Embark nor our IARs provide tax advice to Clients. However, Embark and our IARs will assist Clients implementing tax-advantaged strategies on their behalf upon their request, subject to the features and limitations available to us on the Betterment Platform.

Embark seeks to maximize risk-adjusted returns when designing and managing our Custom Portfolios. The tax implications of portfolio changes are a secondary concern. Betterment's platform provides Embark with various options to control the tax impact of these changes on Client portfolios. Betterment may make certain tax setting features available to Embark, including, but not limited to the ability to limit the total amount of realized gains in a Client's taxable account(s). Clients are not able to access this feature directly.

Embark may consider the tax implications of any ETF or other holdings that it includes in its portfolios. For example, we generally seek to avoid securities that issue Form K-1 tax reporting in favor of securities that issue Form 1099 tax reports. Betterment currently prohibits Embark from using ETFs that issue Form K-1 tax reports. However, Betterment's Platform contains features that allows Embark with the ability to mitigate the tax impact of our portfolio changes. Embark will generally seek to select portfolio change implementation process that we believe minimizes that tax impact for the greatest number of Clients. However, certain portfolio changes may impose a greater tax impact on some accounts and goal types more than others. Clients are responsible for the tax impact of all transactions in their accounts, regardless of whether the transactions were initiated by Embark or the Client.

Embark is not responsible for tax reporting for securities held in Client accounts. The custodial brokerage firm (Betterment Securities) is responsible for providing tax statements to Clients. Clients are notified by Betterment via an email that their tax statement is available, after which Clients may log on to their account and access their tax reporting documents.

Betterment Platform Tax-related Features and Limitations

Betterment offers optional tax loss harvesting ("TLH") and tax coordinated asset location ("Tax Coordination") services to Embark clients. The value provided by these optional services will vary depending on each investor's personal circumstances, and clients should carefully read Betterment's disclosures for each of these services, and the documents linked therein, before enabling them.

Clients should also be aware that electing different portfolio strategies across their investing goals will, depending on the securities held in an account and market conditions, cause the tax loss harvesting algorithm to identify fewer opportunities to harvest losses than it would if a client elects the same portfolio strategy for all of their goals. The tax loss harvesting algorithm is designed to reduce the potential for wash sales and permanently disallowed losses for such clients by seeking to avoid harvests in asset classes where there is overlap between one or more securities in the portfolio strategies elected.

If a Client elects to use Betterment's Tax Coordination feature, Betterment will supply the required inputs such as qualified dividend income, non-qualified dividend income, and expense ratio for each security held in the client accounts for purposes of implementing automated asset location software strategies. Tax Coordination relies on Betterment's default capital market assumptions and Betterment is unable to incorporate capital market assumptions from Embark into the Tax Coordination process. The reliance on Betterment's capital market assumptions for Tax Coordination may result in inconsistencies between Tax Coordination and other features and experiences on the Interface that may rely on Embark's capital market assumptions, if any.

Clients can opt in or out of the tax-related services at any time by changing the settings on the Interface or speaking directly with an Embark IAR and requesting Embark to enable or disable the feature(s) on their behalf. Clients must speak directly to an IAR to initiate these requests as email or voicemail requests cannot be accepted.

The benefits of TLH+ and Tax Coordination, if any, in reducing an investor's tax liability will depend on the investor's entire tax and investment circumstances, including but not limited to their income, state of residence, the purchases and dispositions of assets in the investor's (and their spouse's) accounts outside of Betterment, type of investment accounts held, and applicable investment holding periods. For the avoidance of doubt, Betterment's TLH and Tax Coordination services are not designed to, and do not, provide comprehensive tax advice to clients. **Clients are solely responsible for the determination of whether, and when, to enable these features in their accounts, as well as any tax consequences arising from any transaction associated with these features.**

The TLH service provided by the Betterment algorithm will seek to sell holdings/positions that exhibit a loss and replace them with substitute ETFs. The list of substitute ETFs to represent each security group has been selected by Embark. Not all securities within the respective security group will have a substitute security. Some security groups may have more than one substitute. Betterment's algorithm will avoid wash sale transactions for an investor's account. However, the system will **NOT** consider assets held in outside accounts (any account not held at Betterment) when determining wash sale transactions. When conducting TLH, the algorithm purchases investments selected by Embark that are expected, but are not guaranteed, to have similar performance and risk exposure. Expected returns and risk characteristics are no guarantee of actual performance. The performance of the new investments purchased may be better or worse than the investments that were replaced. Clients may also incur higher fund-level fees in the replacement investments. The enablement of TLH+ will typically result in a higher number of trades than would occur in a similar account without TLH+ enabled. This could result in additional transaction costs (e.g., bid ask spread expense) associated with trading. In some cases, the replacement securities may also be less liquid, which could also result in increased transaction costs. Betterment has the discretion to limit or postpone tax loss harvesting in order to prioritize other trading activity on any given day, including days where extreme market conditions produce a higher volume of trading.

TLH and Tax Coordination services are not designed to, and do not, provide comprehensive tax advice to Clients. The value provided by these optional services will vary depending on each Client's personal circumstances, and Clients should carefully read Betterment's disclosures for each of these services, and the documents linked therein, before enabling them. The Tax Loss Harvesting Disclosure Statement is available at <https://www.betterment.com/tlh-disclosure/>. Betterment's Tax Coordination Disclosure Statement is available at <https://www.betterment.com/legal/tax-coordination> prior to enabling this feature.

Use of Exchange Traded Funds (ETFs)

Embark implements its advisory services by investing in ETFs. For more information on the nature and types of ETFs, the types of investments held in the ETFs, and the risks of ETFs and their underlying investments, see "Risks of Specific Securities Utilized" section in Item 8C.

Account Transfers and Acceptance of Certain Securities into Accounts

A Client's ability to transfer certain securities into and out of their Embark accounts is subject to Betterment Securities' account transfer policies and procedures. For Clients seeking to transfer assets into their Embark account, Betterment currently supports ACATS transfers and will accept most ETFs, many mutual funds, some single stocks, and cash positions for automatic transfers.

For Clients seeking to transfer out of their Embark account, Betterment currently supports in-kind transfers of securities to other brokerages or banks only for taxable accounts. Betterment will only transfer full shares of securities. Betterment currently requires Medallion signature guarantees for transfers of more than \$250,000. Betterment will liquidate securities in Qualified (non-taxable) account such as an IRA or Roth IRA prior to transferring assets out of an account.

The Interface provides information concerning additional considerations related to the transfer of outside securities into an Embark Client account at Betterment Securities. The Interface makes such disclosures prior to the transfer. For more information on Betterment's current transfer policies and processes, see <https://www.betterment.com/resources/how-to-withdraw>.

Trade Execution, Account Maintenance and Asset Custody

Embark does not directly hold (custody) customer funds or securities. To open an account with Embark, Clients must establish a brokerage relationship with Betterment's affiliated broker-dealer, Betterment Securities, a FINRA member broker-dealer. By entering into an Advisory Agreement with Embark, and a sub advisory agreement with Betterment, Clients authorize and direct Betterment to place all trades in Clients' accounts through Betterment Securities. As such, Betterment Securities will maintain all Client accounts and execute all securities transactions in Client accounts without separate commission costs or transaction fees.

Betterment Securities exercises no discretion in determining if and when trades are placed; Betterment Securities places trades only in the direction of Betterment. Betterment Securities' procedures are designed to make every attempt to obtain the best execution possible, although there can be no assurance that it will be obtained. Betterment's customary trading systems prioritize certainty and immediacy of execution over specific entry and exit prices and/or price improvement. As such, Betterment generally utilizes market orders to affect necessary transactions, regardless of order size. Betterment seeks to use commercially reasonable efforts, including the use of manual overrides to their customary trading systems to obtain favorable execution under circumstances including, but not limited to extreme market conditions and/or elevated trading volume. Certain product (ETF) selections that may be included in Embark's custom portfolios, combined with the Platform priorities engineered into Betterment's trading system could potentially impair Betterment's ability to obtain favorable executions under circumstances including, but not limited to extreme market conditions and/or elevated trading volume. Clients should understand that the appointment of Betterment Securities as the sole broker for their accounts under the Program may result in disadvantages to the Client as there exists the possibility of less favorable executions than may be available using a different broker-dealer.

Betterment is responsible for reporting Client transactions, statements, and tax reporting documents to Embark Clients. Such reporting is provided electronically by Betterment via email notice, after which Clients can log on to the Interface to obtain the reported account information.

Clients should understand that the Embark services are a discretionary investment advisory program and not a self-directed brokerage service. Unlike self-directed brokerage accounts, Embark Clients do not enter individual buy and sell orders for specific securities for execution at a certain time. Rather, Betterment places orders to buy and/or sell securities with Betterment Securities consistent with the discretionary authority granted to it by Clients, which includes, among other things, the authority to select which securities to buy and sell (based upon the portfolios and security selections provided to them by Embark) and when to place orders for the execution of securities. Clients that want to control the specific time during the day when securities are bought and sold in their account (e.g., the ability to "time the market"), should not use the Embark service.

By selecting the Betterment Wrap Program as the means to provide Embark services to Clients, Betterment's account deposit, asset transfer, and trading policies determine how and when transactions occur in Embark Client accounts. Betterment's trading policies are detailed in the Trade Execution, Account Maintenance and Asset Custody section of the Betterment Wrap Fee Brochure, a copy of the most recent version can be accessed on the SEC's IAPD website at: <https://www.adviserinfo.sec.gov/Firm/149117> (Select "Part 2 Brochures" and see Brokerage Practices in Item 12.

Additional Betterment Services.

Betterment makes available cryptocurrency trading, cash management, and other account services, including savings accounts, checking accounts and may offer debit cards to Embark Clients participating in the Program. In these instances, Embark does not provide these services and does not receive any compensation nor shared fee revenue based on Client deposits in Betterment's cash management or checking programs. Clients are not obligated to accept these services and are solely responsible for their decision to accept or decline these services. Clients that accept these services should review the Betterment Wrap Fee Brochure; a copy of the most recent version can be accessed on the SEC's IAPD

website at: <https://www.adviserinfo.sec.gov/Firm/149117> (select “Firm” and type “Betterment LLC” in the search bar at the top of the page. Then click “Get Details” and Select “Part 2 Brochures”).

Embark Clients that are employed by a company that utilizes Betterment’s 401(k) offering, Betterment at Work, Embark IARs may also manage Client’s Betterment 401(k) account if Client delegates investment management authority of their 401(k) to Embark. Embark IARs can also view Clients’ Betterment checking account in the Betterment for Advisors Dashboard. Embark can also view Clients’ health savings accounts (HSAs) if the Client has a Betterment HSA through their employer.

Client Communications

Embark personnel periodically review Client accounts to ensure that the intended recommendations made by the algorithm are appropriate for each Client and that Clients are on-track toward their goals. Where appropriate, Clients are provided with a periodic review letter containing our comments on their account review and actions that we recommend that they take. A representative from Embark may seek to contact Clients in circumstances where a goal may not seem realistic, if a Client is significantly off-track, or if there are other data in the account that appear inconsistent with the Client profile and/or stated goals.

Embark sends Clients a periodic email newsletter. The content of the newsletter features updates and tips on Embark Program, Interface/site functionality, timely or pertinent personal finance content, and important disclosures and reminders that Clients need to log into their Interface and ensure that their financial information is current. While Clients have the option to opt out of our periodic email newsletter, Clients must consider that the email newsletter is Embark’s primary means to communicate timely and important content regarding changes to site functionality and the Interface.

Betterment sends to Clients email confirmations with respect to account changes, including linking bank accounts, dividend reinvestments, account transfers, and other activity. Betterment sends duplicate emails of such communications to Embark.

Portfolio Manager Selection and Evaluation

Embark directly manages the portfolios of Retail Clients pursuant to each Client’s Advisory Agreement.

ETF Model Solution’s Investment Committee oversees this process and has approved each potential portfolio, security groups, ETF holdings and drift parameters. ETFMS may change the specific ETF(s) that represent an asset class or classes, or security groups in the target allocations without notice to Clients. Clients cannot exclude specific ETFs from the portfolios in their account.

C. Summary of the Embark Advisory Services

To use the Embark investment services, Clients and/or their Advisors inform Betterment of a Client’s financial goals and personal information through Betterment’s online applications, and Betterment’s algorithm then recommends an equity goal, to which Embark has constructed a recommended portfolio of ETFs for each of the Client’s financial goals and account types. Each portfolio is associated with a target allocation of security groups and underlying ETF holdings.

D. Services Limited to Specific Types of Investments

Embark limits its investment advice to ETFs that trade on major U.S. securities exchanges and/or offer daily liquidity and do not require investor accreditation. The ETFs held in Embark Client accounts invest in equities, fixed income securities, precious metals, commodities, real estate funds (including REITs), and other securities within various targeted asset classes. Embark does not invest in illiquid investments such as private placements or non-publicly traded securities within its portfolios.

E. Client Tailored Services and Client Imposed Restrictions

Embark offers risk-allocated portfolios through its automated investment Program. These services make it possible for individuals, trusts, or other entities to access an endowment-based investment strategy designed to be consistent with their investment objectives and risk tolerances. The individualized investment advice through Embark is tailored to each investor's individualized goal(s).

Embark's ability to permit Clients to impose reasonable restrictions on investing in certain securities or types of securities is limited to the functionality permitted by the Betterment Platform. We will accommodate those requests to the extent Betterment's operational functionality is sufficient to facilitate those restrictions.

F. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. Details regarding the costs of the Betterment Wrap Fee Program can be found in Item 5 of this Brochure.

As of 12/31/2022, Embark Clients maintained \$8.24 million on the Betterment for Advisors Platform. At this level of assets, Embark clients are assessed an 18-bps asset-based fee to compensate Betterment for their portion of the services in the Program.

Embark compensates Betterment for Advisers \$150 per month for access to the Betterment for Advisors program.

G. Assets Under Management

As of 12/31/2023, ETFMS had \$ 15,746,673 in assets under management, all of which were discretionary assets. Of this amount, \$10,443,767, assets were under advisement by Embark.

Item 5: Fees and Compensation

A. Fee Schedule

Embark Clients are subject to the following wrap program fees:

Account Assets	Total Wrap Program Fee*	Wrap Sponsor (Betterment) Fees*	Embark Fees
Less than 1.0 million	1.18%	0.16%	1.0%
\$1.0 million to \$2.5 million	1.08%	0.16%	0.9%
\$2.5 million to \$5.0 million	0.98%	0.16%	0.80%
\$5.0 million to \$7.5 million	0.88%	0.16%	0.70%
\$7.5 million to \$10.0 million	0.78%	0.16%	0.60%
\$10.0 million to \$20.0 million	0.68%	0.16%	0.50%
\$20.0 million to \$30.0 million	0.58%	0.16	0.40%
Over \$30 million and above	Sum of Embark Fee + 0.16%		Negotiable

**Current fee rate based on total client assets managed by Embark as of 12/31/2023. Wrap Sponsor Fees are subject to Betterment's Sponsorship Fee Schedule (see below) and will vary based upon the total Embark client assets in the Program.*

The Sponsor's portion of the wrap fee rate charged by Betterment on amounts invested in Embark accounts is a tiered rate that is based on the aggregate balance of all Embark Client accounts at Betterment (not including funds held in Betterment Everyday Cash Reserve program) according to the following schedule:

Wrap Program Sponsor (Betterment) Fee Schedule	
Client Assets Managed By Embark on the Betterment For Advisor's Platform	Betterment's Platform Fee
\$0-\$2 million	0.20%
\$2-\$10 million	0.18%
\$10-\$30 million	0.16%
\$30-\$100 million	0.14%
\$100+ million	0.12%

Betterment reviews the assets managed by Embark on the Betterment for Advisors Platform and adjusts the Sponsor fee accordingly on a quarterly basis.

The services included for the wrap fee include all the services provided by Embark, Betterment and Betterment Securities through the Betterment for Advisors Platform, including advisory services, custody of assets, execution and clearing of transactions, and account reporting. Betterment collects wrap fees directly from Clients pursuant to the terms of the sub-advisory agreement between Betterment and each Client. Betterment collects the wrap fee and remits Embark's portion of the fee directly to us.

Wrap Fee For Accounts consists of Embark's advisory fee combined with Betterment's Sponsor fee of 0.16% (current as of 12/31/2023, subject to change according to the Wrap Sponsor's Fee Schedule based on total Embark assets managed in the Program. Embark's fee schedule is negotiable with any individual client at Embark's sole discretion.

Clients should consider that, depending on the amount of activity in a Client's account and the value of custodial, trade execution, advisory, and other services that are provided under the arrangement, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately or by others.

Account Aggregation (Householding) for Fee Discounts

Embark clients that are also clients of Embark's affiliate (EWM) may benefit from account aggregation aggregate or "household" the non-qualified account values of families (first degree) and affiliated groups (such as executives of a corporate management team) to determine fee levels according to the non-qualified account fee schedule. Those affiliated groups where the asset values are aggregated for purposes of fee determination will be agreed to in writing between EWM and the Clients prior to account value aggregation for fee calculation purposes. Embark clients should refer to EWM's Form ADV for details regarding EWM's householding fee policy. EWM does not retroactively apply householding discounts.

Additional fee information

All Wrap Fee Program fees paid by Embark Clients are separate and distinct from the fees and expenses of the ETFs held in their account that the respective ETFs charge to their shareholders. These fees and expenses are described in each Fund's prospectus, which are available in the "Holdings" tab of the online Interface and are embedded in the securities purchased on Clients' behalf. These fees are generally composed of a management fee and other Fund expenses. Embark does not earn or receive a portion of such fees.

Embark pays a fixed monthly fee (currently \$150) to Betterment to access the Betterment for Advisors platform. Additional information regarding Betterment's fees and compensation is described in Betterment's Form ADV Part 2A, which can be accessed on FINRA's Brokercheck.

B. Termination of Agreement

Clients can terminate the Advisory Agreement by utilizing the functionality on the website to close their account and transfer funds to their linked bank or checking account. Clients terminating their account will be charged accrued fees on a pro-rata basis.

C. Payment of Fees

Betterment collects wrap fees directly from Clients pursuant to the terms of the sub-advisory agreement between Betterment and each Client. The asset-based wrap fee is charged quarterly, in arrears. The asset-based wrap fee is calculated for each day of the billing period by applying the daily equivalent of the annual fee in effect for the given day to the Client's Program Account Assets. The aggregate fee charged for each quarterly period shall be the aggregate of the fee calculated for each day of the period and charged as of the last business day of each quarter. On the last business day of the relevant quarter, Betterment instructs Betterment Securities to sell securities in an amount that will generate cash proceeds to satisfy a client's fee obligation.

D. Clients Are Responsible for Third Party Fees

Embark Clients are responsible for the payment of all third-party fees (i.e., custodian fees, brokerage fees, underlying exchange traded fund, transaction fees, account closing fees, or other fees related to their account at Betterment. In addition, ETFs held within the Client account will assess management fees and expenses. Embark does not share in any revenues or fees charged by Betterment or the ETFs or any other third-party unaffiliated entities that may derive revenue from providing services to Client accounts. Please see Item 12 of this brochure regarding broker/custodian.

Clients participating in the Embark Program are responsible for sub advisory and custodial fees charged by Betterment. Embark does not have the ability to influence Betterment's fee schedule.

E. Prepayment of Fees

Embark does not collect fees in advance.

F. Outside Compensation for the Sale of Securities to Clients

Neither Embark, ETFMS, nor any of its supervised persons accept any third-party compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Embark does not assess performance-based fees nor other fees based on a share of capital gains on or capital appreciation of the assets in Client accounts.

Betterment for Advisors does not charge performance-based fees.

Item 7: Types of Clients

Embark provides advisory services to the following types of Clients:

- Individuals
- High-Net-Worth Individuals
- Trusts

Our ability to provide services to you is contingent upon your ability to open an account with Betterment.

A. Minimum Account Size

Embark does not impose an account minimum. However, Embark Clients are subject to Betterment's account minimum policies. While Betterment has no stated investment minimum, they currently require a minimum transaction size of \$10 (ten dollars) when making a deposit into an account.

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

A. Investment Strategies

Custom Portfolios. Custom Portfolios are Advisor-designed custom portfolios that Embark constructs and makes available to our Clients on the Betterment Platform. A Custom Portfolio consists of a set or multiple sets of securities and allocations with underlying return and volatility assumptions that are either (i) provided by the Embark to Betterment or (ii) defaulted to Betterment's capital markets assumptions if Embark does not provide assumptions. Betterment will allocate the Client's assets in accordance with the Custom Portfolio. For Custom Portfolios, the Embark and not Betterment is responsible for ensuring the Custom Portfolio (1) is suitable for its Clients, and (2) is constructed and managed in a manner consistent with the Client's financial situation and investment objectives.

Embark employs the following investing strategies within its Custom Portfolios:

Strategic Asset Allocation. Embark primarily implements a long-term strategic asset allocation investing process for its portfolio strategies. In this approach, the various asset classes within the portfolio are invested in broadly diversified, often market-cap weighted (when applicable), index-based exchange traded funds. The indexes (and ultimately ETFs) selected to represent the various asset classes are based upon the holdings in the Endowment Index[®] calculated by Nasdaq OMX[®], or in the case of the Ultra-Conservative (Kayak) and Aggressive Portfolios (Speedboat), seek to mirror or be very similar to 2D stock-bond allocations created by Betterment's. Asset allocation is a long-term, buy-and-hold approach to investing.

Indexing/Passive Investing. Embark employs indexing or passive investment strategies. Index investing seeks to reduce investment management and trading costs by targeting the weights of a portfolio to match that of an index. Four of the six Portfolios currently recommended by Embark are based on the holdings within the 3D Endowment Index, which seeks to replicate the asset allocation of the average university endowment portfolio using ETFs. Indexing/passive investing is a long-term, buy and hold approach investment strategy.

Alternative Investments. As part of Embark's asset allocation strategies, alternative investment asset classes are included in all portfolios other than Ultra Conservative (Kayak) and Aggressive (Speed Boat). Embark uses ETFs for its alternative asset class allocations. Embark defines alternative assets as any investment that does not seek to profit solely from traditional long-only equity or fixed income securities, and may involve real assets such as precious metals, commodities, Real Estate Investment

Trusts (REITs), private placements (equity), or hedge strategies. In some instances, The ETFs invest directly in our targeted alternative assets and in those instances, an ETF that offers a proxy to the targeted asset class is selected. Alternative assets may offer lower correlation to traditional investments, meaning that when equities decline, an alternative investment might increase in value, or at least decline less than equities. Past performance is no guarantee of future results and there is no guarantee that this strategy can ensure profits or reduce portfolio declines in a falling market.

Betterment Constructed Portfolios. are portfolios composed of securities for which Betterment selects the underlying securities and weightings of those securities associated with particular allocations. Betterment Constructed Portfolios are composed of publicly traded ETF securities.

B. Methods of Analysis Utilized

Embark principally follows modern portfolio theory but may take into consideration other methods of analysis including, but not limited to a top-down approach, fundamental analysis, technical analysis, cyclical analysis, and quantitative analysis.

Modern portfolio theory is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.

Top-down approach. Top-down investment analysis emphasizes economic, market and industrial trends before making a more granular investment decision. The approach utilizes broad data to construct portfolios to match a level of risk consistent with an investor's risk tolerance, focusing on asset allocation of the entire portfolio.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data, primarily price and volume and other statistical parameters.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations, such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

C. Material Risks Involved

Investing in securities involves a risk of loss that you, as a Client, should be prepared to bear.

1) Risks Inherent in the Use of an Algorithm to Manage Client Accounts

Embark utilizes an algorithm developed and maintained by Betterment to manage Client accounts. Algorithms are constructed based on certain assumptions and will not adjust to changing market conditions or may not address prolonged changes in the market. Rather, the algorithm seeks to guide the Client towards an investment portfolio designed to reach a specific goal using a two-dimensional investment approach based on the time horizon and/or other inputs provided by the Client. As the Client portfolio value fluctuates, the algorithm will provide the Client with feedback such that the Client is "On Track" or "Off Track" to meet their goals based upon the current value of the account, the existence of regular contributions to the account, and the target amount and target date of the goal. Such a determination is based upon Betterment's 2-dimensional stock research, which may not directly correlate

with Embark 3-dimensional EIP portfolio recommendations. While this may be beneficial with respect to guidance towards the specific goal, it does not ensure that the goal will be fully obtained.

Clients should consistently log in to their account and review their settings and all account information with respect to their financial status (income, net assets) and goals are current and up to date. Clients should update any information promptly when/if it becomes out of date.

Embark provides investment advisory services primarily over the internet through Betterment's Interface and through direct contact with our Clients. Clients input information about themselves and their investing goals through the online Interface. Betterment's software generates recommendations and implements the Custom Portfolios constructed by Embark based on information provided by the Client. Although Betterment has standards governing the design, development, and testing of software before launching software into production with Client assets, there is a risk that software may not perform as intended or as disclosed. For example, Betterment's algorithms may not perform as intended for a variety of reasons, including but not limited to incorrect assumptions, changes in the market, available liquidity, and/or changes to data inputs. Betterment periodically modifies its algorithms, or a computer system's code or underlying assumptions, and these changes may have unintended consequences. Betterment conducts testing designed to ensure that the algorithms continue to function as intended when new code is introduced, and existing code is updated. Although such testing is intended to ensure that code changes do not create unintended consequences, Clients should understand that testing, no matter how comprehensive, cannot guarantee the absence of code-related issues with Betterment's algorithms.

Embark reviews Client accounts to ensure that Betterment's algorithm is operating as intended, although Clients should understand that no matter how comprehensive our testing is, such testing cannot guarantee the absence of code-related issues with Betterment's algorithms.

Embark does not provide comprehensive financial planning, although Embark collects a variety of information from Clients, individualized information about every aspect of a Client's personal financial situation is not elicited through the online Interface, and therefore, not considered by Betterment's algorithms. Clients should be aware of this limitation when considering our service and speak directly with an Embark IAR when utilizing our services or making a change to their portfolio.

2) Betterment Core and Third-Party Portfolio Risks

While limited, Embark may offer certain Clients the opportunity to select certain portfolio strategies that are constructed and updated by Betterment or third-party managers ("Additional Portfolios"). Embark does not select the underlying securities in these Additional Portfolios but periodically reviews them to ensure that they are suitable for the Client(s). Certain of the Additional Portfolio managers may be ETF sponsors who may include their proprietary ETFs in their allocations. Inclusion of their proprietary ETFs in their own models is therefore subject to a conflict of interest as they are incentivized by the potential to earn additional revenue. Betterment's Platform may operate differently for Core and Additional Portfolios than it does for Embark's Custom Portfolios.

3) Betterment Wrap Fee Program & Services Risks

Embark provides its advisory services through Betterment and the Betterment Platform. Betterment may offer certain services, such as checking, and debit account services may be offered to Embark Clients through the Interface. Embark does not receive nor share in any revenue that Betterment may receive in conjunction with Clients' election to participate in Betterment's services.

More information about Betterment's Wrap Fee Program and related risks and fees, including those with respect to additional services can be found in Betterment's online interface and in its publicly disclosures, including its Wrap Fee Brochure, which is provided upon client account opening process and can be accessed on the Betterment website at <https://www.betterment.com/legal/form-adv-part-2>.

4) Risks of the Endowment Investment Philosophy®

The Endowment Investment Philosophy expands the portfolio beyond simply stocks and bonds to include alternative investments such as hedge strategies, private equity, and real assets. The approach is a strategic, long-term approach that remains fully invested always and does not seek to time the market. The additional diversification of a 3-dimensional EIP portfolio does not ensure a gain nor prevent a loss in a declining market. Including alternative investments in a portfolio often contain higher internal management and operational expense ratios than traditional stock-bond ETFs. There is no guarantee that the alternative ETF allocations performance will overcome these additional expenses, which could result in 3-dimensional portfolios underperforming a two-dimensional portfolio of a similar equity goal.

Certain of Embark's portfolios are based upon the allocation of the Endowment Index or are derived from its underlying holdings. The Endowment Index relies on proxy index ETFs to represent certain alternative asset class allocations. As a rules-based index, certain alternative investment asset classes (private equity and venture capital) utilize the same ETF, currently the Invesco Global Listed Private Equity ETF (PSP—NYSE ARCA) as their representative proxy. The 2024 Endowment Index target allocation to PSP is 29%. The performance of a higher weighted ETF within a portfolio will influence overall portfolio returns to a greater extent (positive or negative) than positions with lesser weightings. For instances when a portfolio allocation calls for a concentrated position in a single ETF to represent an asset class, Embark may seek to reduce concentration of any single ETF by allocating across multiple ETFs that we believe may provide a representative risk and return profile for certain asset classes. The substitute ETFs selected may not perform as intended and there is no guarantee the performance of the substitute ETF or ETFs will meet or exceed the performance of the primary position. Diversification does not guarantee a profit nor prevent against loss in a declining market.

5) Investment Advice Risks

Embark does not guarantee the results of any investment advice given to Clients. All investing involves risk and Embark does not represent, nor do we make any assurances that the investment objectives of any offered portfolio strategy will be achieved. Although Embark offers diversified portfolio strategies, there is no guarantee that any particular asset allocation or mix of investments will provide a specified return or meet clients' investment objectives. Furthermore, Embark bases its investment advice on information self-reported by clients or information linked and authorized by clients to be provided by third-party vendors (e.g., Plaid) through Betterment's Platform.

Embark's services are highly dependent on receiving accurate information from clients and Embark does not independently verify the accuracy or completeness of provided information. If Clients provide Embark with inaccurate information or fail to promptly update information previously provided to us, either directly or through the Interface, the quality and applicability of the advisory services provided could be adversely impacted. Therefore, it is incumbent upon Clients to communicate all relevant information with respect to their goals and personal financial information to Embark prior to establishing their account or a new goal.

6) Security & Access Interruption Risks

As technology has become more common in financial services, client accounts have become potentially more susceptible to operational, information security, and related risks through breaches in cybersecurity. While Embark strives to maintain reasonable and appropriate safeguards to ensure the security of its systems and software, a cyber incident may result from either intentional attacks or unintentional events and include, but are not limited to, gaining unauthorized access to login credentials or to digital systems, mis-appropriating assets or sensitive information, causing a client account to lose proprietary information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. Embark has established policies and procedures reasonably designed to reduce the risks associated with cyber incidents, including the risk that federal securities laws are broken due to a cyber incident. However, there can be no assurance that these policies and procedures will prevent cyber incidents.

Clients conducting business with Embark must access Betterment's Interface, which relies upon providing its services through the internet. Access to the Website and the Internet may be limited or unavailable due to, among other things, market volatility, peak demand, systems upgrades, maintenance, hardware or software malfunction or failure, internet service failure or unavailability, actions of governmental, judicial, or regulatory body and force majeure. Clients must understand that neither Betterment, nor Embark can be liable for any losses incurred by the Client (including, but not limited to lost profits, trading losses, and similar damages), resulting from such access limitations or unavailability.

7) Methods of Analysis Risks

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Top-Down analysis emphasizes broad macroeconomic factors, it may ignore individual securities that may be undervalued or could provide higher potential returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles these investors are trying to exploit.

Quantitative Model Risk. Investment strategies using quantitative models may perform differently than expected because of, among other things, the factors used in the models, the weight placed on

each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

8) Investment Strategies Risks

Strategic Asset allocation involves incorporating asset classes with varying risk and return profiles to build a diversified portfolio with the long-term goal of generating a desired level of return for specific levels of risk. Asset allocation is a long-term investing strategy that does not involve active trading. Asset allocation and diversification do not assure a profit or protect against loss in a declining market.

Indexing/Passive Management. An index is a sampling or basket of stocks, bonds, or other securities that share a common characteristic or represent a certain segment of the overall financial markets. Indexes may be concentrated based on the construction methodologies of its underlying index. Passive management does not allow the manager to buy or sell securities at their own discretion to react to adverse market conditions. Returns of indexing may be different from that of the benchmark if an index fund does not accurately track its benchmark. An index fund may underperform its benchmark because of fees and expenses. Index funds will lose value if the securities in the index lose value.

Long-term investing is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose Clients to various types of risk that will typically surface at various intervals during the time the Client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Alternative investments possess risks that may be greater than the risks of traditional investments. The underlying investments contained within liquid alternatives securities may involve market risk, conflict of interest risk, higher fees, liquidity risk, less regulation, default risk, counter party risk, leverage risk, interest rate risk, manager risk, market timing risk, short-selling risk, diversification risk, and foreign exchange risk. Alternative investments may be more volatile than traditional investments such as stocks and bonds. Embark uses liquid alternative investments as proxies for targeted alternative asset classes.

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. Clients must accept and understand that our advice is subject to various market, interest rate, liquidity, marketability, currency, economic, political, legal, business and/or other risks. In addition, these known and unknown risks may adversely affect investment results and/or the ability of Clients to achieve their investment objectives. We cannot offer any guarantees or promises that our recommendations will be profitable or that Clients' financial goals and objectives will be met. Past performance is in no way an indication of future performance.

9) Risks of Specific Securities Utilized

Exchange Traded Funds (ETFs). Embark implements its advisory services by investing in ETFs. For avoidance of doubt, all portfolios recommended by Embark are comprised solely of ETFs. For information regarding the structure, fees, and risks associated with investing in ETFs, see the SEC's Investor Bulletin on ETFs: <https://www.sec.gov/servlet/sec/investor/alerts/etfs.pdf>.

Embark makes direct investments in ETFs that invest in a broad array of asset classes or otherwise implement various investment strategies. ETFs fluctuate in value. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Generally, ETF shares trade at or near their most recent net asset value ("NAV"). However, certain inefficiencies

may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more).

All ETFs contain costs that lower investment returns.

There is no guarantee any ETF will be profitable or will be able to meet its investment objective. The risk of each ETF is directly related to the risks of the underlying securities held within the fund or strategies deployed by the fund manager. Embark targets ETFs that invest in or seek to replicate the return streams of equities, bonds, and alternative investments. Alternative investments may include, but are not limited to real estate, hedge fund strategies, private equity or issuers of private equity, business development companies, distressed debt, commodities, precious metals, industrial metals, energy, infrastructure, master limited partnerships, futures, options trading (including covered options, uncovered options, or spreading strategies), short selling which generally hold greater risk of capital loss. When investing in ETFs targeting alternative investments asset classes, including those that hold proxy investments, there is always a risk that the ETF may or may not provide representative returns relative to the targeted asset class.

Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Generally, ETF shares trade at or near their most recent net asset value ("NAV"). However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). The price of Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) may be negatively impacted by several factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) may be employed within the various ETFs held in our portfolios. Such securities and strategies, unless otherwise noted, are not guaranteed, or insured by the FDIC or any other government agency, may fluctuate in value, involve risk of loss and, at any given point in time, could be valued at more or less than the original investment.

Risks of Underlying Fund Holdings

- **Business Development Companies** are entities that lend to young, thinly traded, distressed, or firms with lower credit ratings that may not be able to access capital through other sources. The holdings within a business development company may involve credit/default risk, market risk, and liquidity risk. Business development companies may assess higher fees which can eat into potential returns. Business development companies may experience higher volatility than traditional investments. In addition, the publicly traded shares of business development companies may trade at a discount or premium to the underlying asset value of its holdings.
- **Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

- **Digital (Crypto) Currencies.** Cryptocurrency is a digital representation of value that functions as a medium of exchange, a unit of account, or a store of value, but it does not have legal tender status. Cryptocurrencies are sometimes exchanged for U.S. dollars or other currencies around the world, but they are not generally backed or supported by any government or central bank. Their value is completely derived by market forces of supply and demand, and they are more volatile than traditional currencies. Digital assets are bearer instruments and loss, theft, destruction, or compromise of the associated private keys could result in permanent loss of some or all of your investment. Digital currency transactions are irrevocable and stolen or incorrectly transferred coins may be irretrievable, resulting in the permanent loss of some or all of your investment. The value of cryptocurrency may be derived from the continued willingness of market participants to exchange fiat currency for cryptocurrency, which may result in the potential for permanent and total loss of value of a particular cryptocurrency should the market for that cryptocurrency disappear. Cryptocurrencies are not covered by either FDIC or SIPC insurance. Legislative and regulatory changes or actions at the state, federal, or international level may adversely affect the use, transfer, exchange, and value of cryptocurrency. Purchasing cryptocurrencies comes with risks, including volatile market price swings or flash crashes, liquidity risks, network security disruptions, hardware or software failures, market manipulation, and cybersecurity risks. Cryptocurrency markets and exchanges are not regulated with the same controls or customer protections available in equity, option, futures, or foreign exchange investing. There is no assurance that a person who accepts a cryptocurrency as payment today will continue to do so in the future. The treatment of digital currency for U.S. federal, state and local income tax purposes is uncertain.
- **Emerging Markets.** Investments in stocks and bonds in emerging market countries subject investors to certain risks not present in domestic securities, including, but not limited to foreign currency risk, sovereign investing risk, inefficient markets risk, liquidity risk, political risks.
- **Equity** investment refers to buying shares of stocks in return for receiving a future payment of dividends and capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry market conditions and general economic environments. Investing in equities carries the risk of capital loss and it's possible to lose money investing in equity securities.
- **Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary and include corporate and government debt securities, leveraged loans, high yield, investment grade debt, distressed debt, and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile, and fixed income securities carry interest rate risk. As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities. Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Distressed debt carries a higher risk of default than government or high-quality bonds. The risks of investing in foreign fixed income securities also include the general risks of non-U.S. investing.
- **Futures contracts** are standardized agreements between two parties to buy or sell a specified asset (such as equities, bonds, commodities, precious metals) of standardized quantity and quality for a price agreed upon today (the futures price) with delivery and payment occurring at a specified future date, the delivery date. The contracts are negotiated

on a futures exchange, which acts as an intermediary between the two parties. Futures involve risks including economic risk, market risk, commodities risk, counterparty risk. Futures investing may involve risk of loss greater than the initial investment, as futures trading often involves margin. Other risks may include economic risk, market risk, counterparty risk, political/regulatory risk. Futures markets may involve higher than normal price volatility than more traditional investments such as equities or bonds.

- **Hedge Funds.** Hedge funds are alternative investments that seek to derive a return other than just buying and holding equity or fixed income positions) but rather use various strategies seeking to earn active return, or alpha, for their investors. Hedge funds may be aggressively managed or make use of derivatives and leverage in both domestic and international markets with the goal of generating high returns (either in an absolute sense or over a specified market benchmark). Hedge funds may have low correlations with a traditional portfolio of stocks and bonds, and thus allocating an exposure to hedge funds may help diversify a portfolio. Hedge funds may be in the form of private placements (see private placements) or as a registered 1940 Act mutual fund. Risks of hedge funds may include high expense ratios, manager risk, liquidity risk, derivatives risk, counterparty risk, as well as the risks of any underlying investments utilized in the strategy (such as options, futures, equities, fixed income, foreign securities, short selling, private placement risk, and others).
- **International Developed Markets.** Investments in stocks and bonds in international developed market countries subject investors to certain risks not present in domestic securities, including, but not limited to foreign currency risk, sovereign investing risk, inefficient markets risk, liquidity risk, and political risks.
- **Master Limited Partnerships (MLPs)** invest in infrastructure and corporations that own operating assets involved in energy production, transportation, or storage. MLPs are partnerships that trade on a stock exchange. Unlike corporations, MLPs pass through income, gains, deductions, losses, and credits to investors annually, regardless of whether the MLP makes cash distributions. Investments in securities of MLPs involve risks that differ from investments in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP. MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, as well as the risks of the underlying holdings within any MLP or MLP fund.
- **Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including, but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.
- **Precious Metals** prices can be volatile, as they are affected by various supply and demand risk factors. The discovery of new sources of ore or improvements in mining or refining processes may cause the value of a precious metal to diminish. Precious metals do not provide any interest or dividends and investors must rely on rising prices to generate a return on investment. Precious metals may face adverse tax consequences as they can be taxed as collectibles. Precious metals face increased costs over other investments, as the holdings may incur storage and insurance costs. The price of precious metals ETFs (e.g., gold, silver,

or palladium bullion backed “electronic shares” not physical metal) may be negatively impacted by several factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

- **Private Equity Funds** carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment. Private equity funds may include high expense ratios, can be highly illiquid, may be difficult to provide accurate pricing or valuation information to investors, and may be delayed in distributing important tax information to investors. Other risks of private equity funds include manager risk, non-diversification risk, economic risk, and the risks of the underlying companies in which the private equity fund is invested.
- **Real Estate Funds** (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Liquidity Risks. While Embark considers liquidity when evaluating the merits of any investment, certain of the exchange-traded securities included in our portfolios may or may at times have limited liquidity, limited market depth, and above average bid-ask spreads. Accordingly, the securities that we select for our portfolios or portfolios may limit Betterment, or other custodians’ ability to obtain favorable execution under circumstances including, but not limited to, extreme market conditions and/or elevated trading volume originating from Clients placed in portfolios (either with respect to one account, or in the aggregate, across multiple accounts).

General Risk of Loss. Investing in ETFs involves risk of loss that Clients should be prepared to bear. We do not represent or guarantee that the advice provided by our IARs, the performance of our portfolios, or our methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to economic recessions, general market corrections or declines. Diversification does not ensure a profit nor prevent a loss in a declining market. Clients must accept and understand that investment recommendations made by Embark for an investment account or other financial planning advice is subject to various market, interest rate, liquidity, marketability, currency, economic, political, legal, business and/or other risks. In addition, these known and unknown risks may adversely affect investment results and/or the ability of Clients to achieve investment objectives.

Risk That You May Not Meet Your Objectives. We cannot offer any guarantees or promises that our recommendations will be profitable or that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

Neither Embark nor its parent company, ETFMS, have any criminal or civil actions to report.

B. Administrative Proceedings

Neither Embark nor its parent company, ETFMS, have any administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

Neither Embark nor its parent company, ETFMS, have any self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither Embark, its advisory parent ETFMS nor any of their representatives or affiliates are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Embark, its advisory parent, ETFMS nor any of its representatives or affiliates are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Embarks' advisory parent, ETFMS is affiliated through common control and ownership, and shares offices with, Endowment Wealth Management, Inc. ("EWM"), an investment advisory firm registered with the U.S. Securities and Exchange Commission. ETFMS and Endowment Wealth Management, Inc. share intellectual property, primarily human resources, proprietary investment management and asset allocation research data, research tools, database services, and other operational resources. Through a licensing agreement between the firms, ETFMS makes available its investment model portfolio solutions to Endowment Wealth Management, Inc. In some circumstances, Endowment Wealth Management, Inc. provides advisory services to Embark Clients. The two firms seek to avoid conflicts that would otherwise generate additional revenue for either firm. EWM and Embark have adopted similar fee schedules based on assets under management. Thus, the firm does not have a material financial incentive to recommend a client place assets with one firm over one or the other. In certain circumstances when EWM and ETFMS are providing services to the same client assets, only one firm will charge a fee with respect to those assets. Otherwise, Embark and Endowment Wealth Management, Inc.'s services and fees are separate and distinct. Embark always acts in the best interest of the Client. Clients are in no way required to engage the services of any representative of Embark regarding such individual's activities outside of Embark.

Prateek Mehrotra, Robert Louis Riedl, Timothy Joseph Landolt, John David Weninger, Jamie Richard Brown, Samuel Benjamin Moore, Evan Kubiak, and Michael Rottier are investment adviser representatives with Endowment Wealth Management, Inc. From time to time, they may offer Embark

Clients advice or products from those activities and Clients should be aware that these services may involve a conflict of interest. Endowment Wealth Management, Inc. is the adviser to one or more pooled investment vehicles, containing private equity and venture capital investments. Embark always acts in the best interest of the Client and Clients are in no way required to engage the services of any representative of Embark in connection with such individual's activities outside of Embark.

Embark's advisory parent, ETFMS is affiliated through common control and ownership, and shares offices with, Global Alternative Investment Management LLC ("Global Alts"), a private fund management company. Global Alts creates and markets private funds to serve high net worth (Accredited, Qualified Clients and Qualified Purchasers). ETFMS may present to its clients (those that meet the income and net worth requirements) investment opportunities in funds managed by Global Alts. Funds managed by Global Alts assess management and performance-based fees. Global Alts may also provide accounting services to its funds, for which it may be compensated on an hourly basis. Global Alts' services and fees are separate and distinct from those of ETFMS. ETFMS' affiliation with Global Alts creates a conflict of interest as the affiliated entity may potentially receive greater management and incentive fees than ETFMS may otherwise earn. ETFMS has a fiduciary relationship to act in the best interest of all its Clients, including those of Embark, and this fiduciary relationship is paramount to any benefit received by ETFMS or any of its affiliates. Clients are not obligated to invest in any of Global Alts' funds, nor are they required to engage the services of any representative of ETFMS regarding such individual's activities outside of ETFMS.

As part of our relationship with Betterment and Betterment Securities, Betterment may offer us services intended to help us manage and further develop our business enterprise, such as access to webinars and advice about using the Betterment for Advisors Platform to grow our business. Betterment may offer different or expanded services in the future. These services could create an incentive for us to recommend that Clients invest through the Betterment for Advisors Platform. This is a potential conflict given that our interest in recommending Betterment could be influenced by our receipt of Betterment's and Betterment Securities' services to our business.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Embark does not utilize nor select third-party investment advisers. All assets are managed by ETFMS.

E. Insurance

Embark IARs may make referrals to individuals licensed to sell insurance products. When a referral is made for insurance products, ETFMS, its affiliates and/or associated persons do not receive referral fees or revenue from referrals for insurance products.

F. Related Person- Accountant

Christopher Platten, CPA is an employee of Endowment Wealth Management, Inc. an affiliate of ETF Model Solutions, LLC. Christopher Platten provides tax preparation services on a limited basis outside of his employment with EWM. While performing tax preparation services, Christopher Platten is conducting those services independently and not as an employee of EWM. Christopher Platten does not provide tax advice or tax preparation services on behalf of EWM. Christopher Platten does not share any of the fee income he receives for tax preparation services with EWM.

Embark or its associated persons may refer clients seeking assistance with tax preparation to Christopher Platten. Embark Clients are under no obligation to retain Christopher Platten for tax preparation or tax-related services.

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

A. Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect the interests of our Clients always and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with our Clients. Embark is subject to ETFMS' policies, which are based upon the principle that its directors, officers, owners, and employees owe a fiduciary duty to Clients to conduct personal securities transactions in a manner that does not interfere with Client transactions or would otherwise take unfair advantage of their relationship with our Clients. All our Associated Persons are expected to adhere strictly to these guidelines. ETFMS' Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about our Clients and their account holdings by persons associated with our Firm.

Clients or prospective Clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

B. Recommendations Involving Material Financial Interests

ETFMS, and its associated persons (including representatives with Embark) may own securities (including ETFs) that are held in our portfolios and/or are recommended to Clients. This may be deemed a conflict of interest. Embark staff are subject to ETFMS' Code of Ethics, which addresses conflicts or potential conflicts of interest. ETF Model Solutions' compliance officer reviews personal securities transactions of associated persons on a quarterly basis to ensure compliance with this policy.

C. Participation or Interest in Client Transactions

ETFMS, its employees, and its affiliates do not engage in any proprietary firm trading activities or participate in any revenue sharing with third parties with respect to securities transactions recommended to Clients.

D. Investing Personal Money in the Same Securities as Clients

ETF Model Solutions, its affiliates, and persons employed by or associated with ETFMS (including Embark) may buy or sell securities for themselves that they also recommend to Clients. This may provide an opportunity for representatives of Embark to buy or sell the same securities before or after recommending the same securities to Clients resulting in representatives profiting from the recommendations they provide to Clients. Such transactions may create a conflict of interest. ETFMS has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), ETFM's Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by ETFMS or any of its associated persons. The Code of Ethics also requires that certain EWM personnel (called "Access Persons") report their personal securities holdings and transactions and obtain preapproval of certain investments such as initial public offerings and limited offerings. Unless specifically permitted in ETFMS's Code of Ethics.

ETFMS periodically reviews the trading of Access Persons and will take appropriate action if it believes that Access Persons are trading in a way that materially disadvantages clients.

E. Trading Securities at/Around the Same Time as Clients' Securities

Representatives of Embark, ETFMS, or ETFMS' affiliates and/or their representatives may buy or sell securities for themselves at or around the same time as Clients. This may provide an opportunity for representatives of Embark to buy or sell securities before or after recommending securities to Clients resulting in representatives profiting from the recommendations they provide to Clients. Such transactions may create a conflict of interest; however, Embark will never engage in trading that operates to the Client's disadvantage when similar securities are being bought or sold.

F. Conflicts of Interest

As part of Embark's relationship with Betterment and Betterment Securities, Betterment may offer us services intended to help us manage and further develop our business enterprise, such as additional advisory services, access to webinars and advice about using the Betterment for Advisors Platform to grow our business. Betterment may offer different or expanded services in the future. These services are construed as an incentive for us to recommend that you become an Embark Client and invest through the Betterment for Advisors Platform. This is a potential conflict given that our interest in recommending Betterment could be influenced by our receipt of Betterment's and/or Betterment Securities' services to our business. Additionally, Betterment may offer discounted pricing to our Clients based on the total combined assets of all of our or our Firm's Client assets on the Betterment for Advisors Platform.

Embark serves our clients in a fiduciary capacity and has made the decision to utilize Betterment for Advisors to deliver our services through Betterment for Advisors in our Clients' best interest.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Embark does not maintain custody of Client assets that we manage or advise, although we may be deemed to have custody of your assets if you authorize us to withdraw advisory fees from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian."

For Clients using Embark, we require that our Clients use MTG, LLC dba (doing business as) Betterment Securities, a registered broker-dealer, member SIPC, as the qualified custodian. To become a Client of Embark, Clients are required to open an account with Betterment Securities by entering into an account agreement directly with them. We do not open an account for you, although we may assist you in doing so. Embark is independently owned and operated and are not affiliated with Betterment Securities.

Betterment Securities is responsible for execution of securities transactions and maintains custody of customer assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only in the direction of Betterment. Clients should understand that the appointment of Betterment Securities as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available using broker-dealers that are not affiliated with Betterment.

Information with respect to Betterment Securities brokerage practices, including research and soft dollar benefits, client referrals and other disclosures can be found on FINRA's BrokerCheck. We seek to recommend a custodian/broker that will hold Client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including, but not necessarily limited to:

- Competitiveness of the price of services and willingness to negotiate the prices.
- Capability to execute, clear, and settle trades (buy and sell securities for Client accounts) itself or to facilitate such services.
- Capability to facilitate timely transfers and payments to and from accounts.
- Quality of services.
- Reputation, financial strength, and stability.
- Prior service to us and our other Clients.

Custodians and broker-dealers are recommended based on Embark's duty to seek "best execution," which is the obligation to seek to execute securities transactions for a Client on terms that are the most favorable to the Client under the circumstances. The Client will not necessarily pay the lowest commission or commission equivalent and Embark may also consider the market expertise and research access provided by the payment of commissions, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers to aid in the research efforts of Embark. Embark will never charge a premium or commission on transactions beyond the actual cost imposed by the broker-dealer/custodian.

See Item 14 for additional disclosures on other benefits we may receive resulting from our relationships with recommended custodians.

CLIENT BROKERAGE AND CUSTODY COSTS AT BETTERMENT

Betterment Securities does not charge Clients separately for custody services but is compensated as part of Betterment LLC's wrap program fee, which is a percentage of the dollar amount of assets in the account in lieu of commissions. We have determined that having Betterment Securities execute trades is consistent with our duty to seek "best execution" of Client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/custodians").

1) Research and Other Soft-Dollar Benefits

Embark only source of revenue is from the advisory fees paid to us by our Clients. Embark does not accept soft dollar payments, nor do we maintain any agreement that compensates us for doing business with any other entity. However, certain platforms and service providers with which we have partnered to serve our Client accounts make available to us certain services, as outlined below.

SERVICES AVAILABLE TO US VIA BETTERMENT FOR ADVISORS

Betterment Securities serves as broker dealer to Betterment LLC's Betterment for Advisors services, an investment and advice Platform serving independent investment advisory firms like Embark. Betterment for Advisors also makes available various support services which may not be available to Betterment's retail customers. Some of those services help us manage or administer our Clients' accounts, while others help us manage and grow our business. Betterment for Advisors' support services are generally available on an unsolicited basis (we do not have to request them). Embark compensates Betterment for Advisors with a \$150 monthly fee for access to their Platform and related services. Following is a more detailed description of Betterment LLC's' support services:

- i. **SERVICES THAT BENEFIT YOU.** Betterment for Advisors includes access to a range of investment products, execution of securities transactions, and custody of Client assets through Betterment Securities. Betterment Securities' services described in this paragraph generally benefit you and your account.

- ii. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment for Advisors also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts, such as software and technology that may:
 - Assist with back-office functions, recordkeeping, and Client reporting of our Clients' accounts.
 - Provide access to Client account data (such as duplicate trade confirmations and account statements).
 - Provide pricing and other market data.
- iii. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment for Advisors, we may be offered other services intended to help us manage and further develop our business enterprise. These services may include:
 - Educational content and resources to assist us in serving our Clients.
 - Consulting on technology, compliance, legal, and business needs.
 - Betterment for Advisors assisted in the development of the Embark website portal through which you access our services.

OUR INTEREST IN BETTERMENT SECURITIES' SERVICES

We believe that our selection of Betterment Securities as custodian and broker is in the best interests of our Clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services (see "How we select brokers/custodians") and not Betterment for Advisors and Betterment Securities' services that benefit only us.

See item 14 for additional economic benefits provided to us by Custodians.

2) Brokerage for Client Referrals

Embark receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3) Clients Directing Which Broker/Dealer/Custodian to Use and Potential Conflicts

We do not allow directed brokerage. With respect to traditional securities portfolios, Clients are required to maintain wrap accounts and execute transactions through Betterment Securities. If you do not wish to place assets with or execute trades through Betterment Securities, then Embark cannot manage your account(s) on the Betterment for Advisors Platform.

B. Aggregating (Block) Trading for Multiple Client Accounts

Betterment's Order Aggregation. With respect to traditional securities portfolios, Betterment places aggregated orders involving multiple Betterment accounts trading in the same securities. Orders for the purchase or sale of securities are routed by Betterment Securities to Apex Clearing Corporation ("Apex"), the clearing broker used by Betterment Securities, for managed execution. Apex is entitled to receive payments or rebates on orders from Betterment Securities, but Apex does not pass on to Betterment Securities any portion of such payments. Additional information regarding Betterment Securities can be found on FINRA's BrokerCheck.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

ETFMS oversees Embark accounts, which are sub advised by Betterment for Advisors. Betterment's algorithm automatically reviews Client accounts relative to Client goals and the recommended Custom Portfolio and notifies Clients upon login whether their account is on or off track to reach their stated goal(s). ETFMS will generally rely upon algorithmic reviews to maintain Client accounts and make subsequent Client recommendations. Embark representatives periodically review the Program allocations and Client accounts to ensure that the Program is operating as intended and ensure they are allocated appropriately according to the Client goals or aligned with investment objectives. Only our IARs will conduct reviews.

Embark clients are encouraged to review their accounts through the Interface on a regular basis and notify us or one of our IARs of any changes in their financial situation.

B. Factors That May Trigger a Non-Periodic Review of Client Accounts

We may review client accounts more frequently than described above. Portfolio Management reviews may be triggered by material market, economic or political events, or by changes in Clients' financial situations or life events (such as retirement, termination of employment, physical move, or inheritance) or by client request.

C. Content and Frequency of Regular Reports Provided to Clients

Each Client may have access to a daily report that details the Client's account including assets held and asset value. These reports are provided by Betterment Securities. These reports are generated by Betterment Securities and are available through credentialed access through the online Interface. Betterment also generates quarterly statements. Clients are notified of the availability of quarterly statements via email. Clients can then log onto the Interface to retrieve their statement. Betterment also provides annual tax reporting. Clients are notified of the availability of their tax reporting (1099) document and may then log on to the Interface to retrieve their tax reports. For Clients with Traditional IRAs, Betterment will provide a tax statement with the Required Minimum Distribution (RMD) for Clients above age in which they are required to take an RMD. Clients should look for the RMD statement with their annual tax statements. Clients should consult their tax preparer with questions with respect to RMDs.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients

No direct link exists between Embark and the investment vehicles or other service providers that we recommend to Clients. We do not receive compensation from any source other than our Clients. However, we may receive some direct or indirect benefits from investment providers, exchange-traded fund management or distributor groups, custodians, or platform providers such as Betterment. Such support includes services and products, certain of which assist Embark in its research and ongoing management of its portfolios. Examples of benefits include discounted or gratis attendance at educational conferences, seminars, or other educational and/or social events, which may include meals or complimentary parking. We may also be granted access to specialized, non-public, "financial advisor" web sites, webinars, or other digital content which may contain additional academic research, practice management articles, newsletters, educational video presentations, software, and investment returns data.

Certain of these support services and/or products we receive may assist in managing and/or servicing our portfolios. Others do not directly provide such assistance, but rather assist us in managing and furthering our business enterprise. Such attendance and gratuities may be interpreted as a conflict of interest as they provide an economic benefit to us because we do not have to produce or purchase them. Embark's advisory parent, ETFMS' policies and procedures seek to mitigate this conflict by prohibiting its personnel from accepting items of material value, or other inappropriate gifts, favors, entertainment, special accommodations, or other items of material value that could influence their decision-making or make them feel beholden to a person or firm. We believe that these benefits are minimal and do not compromise our advice provided to our Clients. Neither Embark nor any of its affiliates pay more for investment transactions affected or assets maintained at any custodian because of these arrangements. Neither Embark nor ETFMS is under an obligation to use any service or product or invest any specific amount or percentage in any specific investment, nor will we ever recommend an investment, product or service based upon the receipt of such benefits.

Embark compensates Betterment for Advisors \$150 monthly for Platform access and related services they make available to us for our Clients to maintain their accounts at Betterment Securities. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability of products and services from Betterment for Advisors and Betterment Securities is not based on us giving investment advice, such as buying specific securities for our Clients.

B. Compensation to Non-Advisory Personnel for Client Referrals

Embark does not enter written arrangements with third parties to function as wholesalers and/or solicitors for our Advisory services.

C. Economic Benefits Provided to Unaffiliated Third Parties

Embark requires that Clients seeking to do business with us participate in the Betterment Wrap Fee Program. As a result of this requirement, Embark may be deemed to give Betterment an indirect benefit in the form of the asset-based fees it receives from administering the wrap fee program.

Item 15: Custody

Embark does not take custody of Client accounts at any time. Betterment Securities maintains custody of Client assets that are managed by Betterment. Clients with IRAs also agree to specific custodial agreements with Millennium Trust Company, who serves as the custodian for Betterment IRA accounts. Under government regulations, Embark is deemed to have custody of Client assets if, for example, they authorize Embark to instruct Betterment Securities to deduct advisory fees directly from their account(s).

Client account statements are available for review in the Documents section of the Betterment for Advisors Client portal. Clients receive periodic emails from Betterment with information about their accounts as well as directions to log into the account Interface to access statements, tax forms, and other account information. Statements will contain information including account balances, securities holdings, transaction history and any fee debits or other fees taken out of Client accounts. Clients should carefully review those statements and other documents promptly.

Item 16: Investment Discretion

Clients who participate in the Betterment for Advisors wrap free program have discretionary accounts, meaning that Embark and Betterment can buy and sell investments on Client's behalf when they determine it is appropriate to do so. Embark maintains discretion over Embark accounts to the extent that these accounts will be allocated according to each Custom portfolio's respective target allocation of ETFs and security groups as determined by Embark and that our portfolio changes and rebalance instructions trigger transactions to bring Client account into alignment with our intended target allocations.

Betterment uses algorithms to advise and manage Embark Client accounts. These algorithms are developed, overseen, and monitored by Betterment's investment advisory personnel. To use Betterment's investment services, the Client (or us) inform Betterment of each Client's financial goals and personal information through Betterment's online applications. Betterment provides Embark and Clients with information about its offered portfolio strategies to inform their decision-making but does not make recommendations to Clients that they invest in any particular strategy.

Each Custom Portfolio is associated with a target allocation of investment types and/or asset classes but Embark or Clients can modify Betterment's initial Custom Portfolio recommendation as desired. If Embark places a Client in a Custom Portfolio, Betterment will allocate the Client's accounts in accordance with Embark's parameters specified in the Custom Portfolio rather than based on Betterment's own investment methodology.

Embark exercises discretion with respect to the holdings in each of the Custom Portfolios we design, and Betterment will allocate each Client's account to one of our Embark-designed Custom Portfolio utilizing Betterment's methodology. Clients can modify Betterment's initial equity goal recommendation and corresponding portfolio at their own discretion. Embark recommends that Clients speak with an Embark IAR before modifying Betterment's equity goal recommendations.

In the absence of a contrary direction, Betterment periodically rebalances Client portfolios so that in the face of fluctuating market prices each Client's portfolio remains within a specified drift range (as determined by Embark) of the target allocation. Betterment also offers optional tax loss harvesting and automated asset location services.

Item 17: Voting Client Securities (Proxy Voting)

Embark will not ask for, nor accept voting authority for Client securities.

Clients delegate to Betterment the authority to receive and vote proxies and related materials for certain securities held in Betterment accounts. Betterment will only vote on proxies and respond to corporate actions associated with securities that Betterment currently selects for Betterment Constructed Portfolios (those created by Betterment) and will abstain from voting on other securities, including but not limited to those securities only present in Third-Party Portfolios, Embark Custom Portfolios, or securities transferred to Betterment via ACATS, in each case that are not already supported in a Betterment Constructed Portfolio. If a security is present in Betterment Constructed Portfolios and outside of Betterment Constructed Portfolios, Betterment will vote on proxies associated with that security in all portfolios in which it is held. Betterment will abstain from voting on such proxies if it determines that abstaining is in the best interest of its Clients.

Additional information about proxy matters is contained in Betterment's Form ADV Part 2A. More information on this process is disclosed in the "Voting Client Securities" section as in Betterment's wrap fee brochure, a copy of which can be obtained by searching "Betterment" in the Firm section on the Investment Adviser Public Disclosure site <https://adviserinfo.sec.gov/>.

Clients who hold securities for which Betterment does not vote proxies on their behalf are responsible for exercising their right to vote as a shareholder of ETFs and other securities, if applicable. At a Client's request,

we may offer advice regarding corporate actions and the exercise of the Client's proxy voting rights with respect to holdings within an Embark account.

In the event Embark were to receive any written or electronic proxy materials, we would forward them directly to the Client by mail or email. If the Client has authorized us to contact them by electronic mail, we would forward any electronic solicitation to vote proxies to the email address we have on file. Clients authorizing electronic mail communication should advise Embark regarding any changes to their email address.

Item 18: Financial Information

A. Balance Sheet

Embark neither requires nor solicits prepayment of more than \$1,200 in fees per Client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Embark, its advisory parent, ETFMS nor its management have any financial condition that is likely to reasonably impair Embark's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

Neither Embark nor its advisory parent, ETFMS, have been the subject of a bankruptcy petition in the last ten years.