

Composer Technologies Inc.

Part 2A of Form ADV: Firm Brochure

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March 2024

This brochure provides information about the qualifications and business practices of Composer Technologies Inc., a Canadian company (the “Firm” or “Composer”). If you have any questions, please contact us via email at help@composer.trade. 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.

Any reference to the Firm as a registered investment adviser does not imply a certain level of skill or training.

Additional information about Composer Technologies Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

This document is the Part 2A of Form ADV: Firm Brochure (the “**Brochure**”). This Item provides a summary of the material changes since the last annual update to this Brochure. Composer additionally submitted an OTA on February 14, 2024 to reflect changes to Schedule A of the ADV Part 1. Since the last Annual Updating Amendment on March 31, 2023, we have made amendments to Item 4, Item 8, Item 10, Item 12 and Item 16 in addition to other minor changes throughout the Brochure:

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Item 4 Advisory Business

A. General Description of the Company

Composer Technologies Inc. (“**Composer**” or the “**Firm**”) was founded in April of 2020 with headquarters in Toronto, Ontario Canada. As indicated in the Firm’s ADV Part 1A, Composer is owned by Mr. Ronny Li, Ananda Aisola, Benjamin Rollert as well as three Venture Capital Funds, First Round Capital, Left Lane Capital and Golden Ventures. The Firm became a registered investment adviser with the United States Securities and Exchange Commission (“SEC”) in January of 2021.

B. Summary of Investment Advisory Services

Composer is a registered investment adviser (“**RIA**”) which offers limited discretionary online advisory services to its advisory clients (each a “**Client**,” and collectively, “**Clients**”) through its proprietary web-based application (the “**Platform**”).

Once a Client is approved (an “**Investment Account**”), the Platform is the only place that a Client will be able to access Composer’s advisory services. The limited investment advisory services that Composer provides include making certain risk-ranked model portfolios (“**Model Portfolios**”) available for Clients to invest in at their discretion, which are periodically rebalanced to remain within a target asset allocation range. The Model Portfolios are curated and powered by Composer’s own quantitative strategies together with inputs from each Client, to help tailor both “off the shelf” Model Portfolios or more bespoke data-driven Model Portfolios based on different performance metrics and asset attributes at the Client’s direction. A myriad of components, including company fundamental and technical analysis, as well as traditional news, alternative data, macro events, human behavior, sentiment, social attitudes and data technology goes into the curation of a Model Portfolio. Composer has developed a suite of software tools that effectively corroborate and calibrate publicly available data that impacts companies, brands, and sectors across the globe.

The Model Portfolios are comprised of both equity and fixed-income exchange-traded funds (“**ETFs**”), as well as equity securities of companies. On the Platform, the Model Portfolios are referred to as Symphonies (“**Symphonies**”). While Clients have the option to use the Platform and invest in one of the Model Portfolios, Clients may also choose to manually add or replace securities from their chosen Model Portfolios, which will modify the portfolio and these holdings will become part of any rebalance that occurs in the future, or create their own Model. Clients are able to back-test their Model Portfolios in order to compare them to a benchmark or another Model Portfolio, and to see how a particular Model Portfolio hypothetically performs under real-world conditions. The Client is able to change and edit these Model Portfolios at any time.

Composer’s advisory services include periodic rebalancing of Model Portfolios in accordance with a particular Model Portfolios default setting, designed to keep the holdings within each Model Portfolio within a specified target asset allocation range. Once a Client chooses to invest in one of the Model Portfolios, the Clients will provide and Composer will obtain limited discretionary authority to automatically rebalance their Model Portfolio holdings, maintain a minimum cash balance and re-invest dividends. As part of a Client’s ability to make changes to Model Portfolios,

including substituting, swapping or removing securities, Clients also have the ability to manually select the frequency of rebalancing, and are given the option to rebalance either daily, weekly, monthly or annually. Clients can also choose to rebalance the portfolio when the value of the portfolio deviates by a preset threshold. When a Client earns money or makes a deposit, Composer has the limited discretionary authority to purchase a combination of ETFs and other securities, as appropriate, to align the Client's Investment Account with the target asset allocation for the selected Model Portfolio(s). Clients may liquidate securities in their Investment Account through the Platform and initiate cash withdrawals through the Custodian (as defined below). If the holdings of the Investment Account significantly deviate from the existing or newly selected target asset allocation, Composer will initiate a rebalancing to bring the holdings within the acceptable range of the target asset allocation.

The limited discretionary authority provided by Clients to Composer to rebalance Model Portfolios is not limited to the number or frequency of rebalances and is driven by Composer's decisions on the composition and holdings in their selected Model Portfolio. For example, Composer may sell overrepresented ETFs and use the proceeds to buy underrepresented ETFs to bring portfolios towards its target asset allocation without taking into account individual tax consequences or market circumstances. Composer will not engage in tax loss harvesting trades in order to optimize the tax consequences of holding, or disposing of, certain holdings.

The ETF or single stock shares purchased or sold on behalf of a Client and/or held in Client Investment Accounts may be either whole shares or fractional shares, depending upon how much a Client invests in the particular security. Composer enables dollar-based investing, which means a Client can buy a fixed dollar amount rather than whole shares. Thereafter, Composer allocates the fractional shares to the individual Client's Investment Account. Fractional shares, however, are typically not transferable outside of a Client's Investment Account because the financial system in the United States currently is structured only to accommodate transfers of full shares. As a result, fractional shares may not be marketable or transferrable to another brokerage account. In the event of a liquidation or transfer of the assets in a Client's Investment Account to another account at another institution, Composer may convert such fractional shares to cash.

Composer does not provide Clients with financial planning and Composer's investment advice and services are limited to providing and rebalancing the Model Portfolios and the ability for Clients to customize and make modifications to the Model Portfolios.

The investments in each Client's Investment Account are held in a separate account in the name of the Client by an independent qualified custodian (the "**Custodian**"), and not with Composer. All Investment Accounts managed through the Platform are required to use the Custodian selected by Composer as the independent custodian. In addition to holding cash and securities for Clients, the Custodian will also facilitate the execution, clearance and settlement of all Client orders, and will provide standard account services such as trade reporting, recordkeeping, and periodic account reports or summaries. Please see Item 12 for more information on Composer's use and selection of Custodians.

C. Tailored Services and Investment Restrictions

Clients will receive the Investment Advisory Agreement, which further details the services Clients will receive, fees charged to Clients, and the conditions of Composer-Client relationship. Importantly, Composer does not provide overall financial planning services, nor does it provide tax advice.

D. Wrap Fee Programs

Composer does not participate in wrap fee programs.

E. Amounts Under Management

As of December 31, 2023, Composer managed approximately \$46,700,000 in discretionary regulatory assets under management across 2948 discretionary Client Accounts.

Item 5 Fees and Compensation

Management Fees

The Platform gives Clients the opportunity to test Model Portfolios on a trial-basis at no cost without the payment of any funds or making any real investments (the “**Test Client**”). Test Clients are afforded the opportunity to sample the Model Portfolios on a trial basis and test how such Test Client would have performed if such Client had actually invested real funds into the Model Portfolios. Thereafter, if the Test Client chooses to become a Client by using actual funds to invest in the Model Portfolios, the Platform charges a fixed monthly “subscription” fee for investment advisory services of \$30 per month or \$288 annually (the “**Subscription Fee**”). The Subscription Fee is not based upon the total assets or transactions in a Client’s Investment Account, but rather is an upfront fee charged for access to Composer’s Platform.

There is a \$50 minimum to open an account with Composer. Composer believes the Subscription Fee is reasonable considering the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs. However, by participating in the Subscription Fee program, Clients may end up paying more or less than they would with other registered investment advisers who charge a wrap fee calculated as a fixed or tiered percentage of the assets managed, or charge a higher or lower subscription fee. Clients could also invest in ETFs, stocks and other securities directly without Composer’s services. In that case, Clients would not receive the services provided by Composer, which are designed, among other things, to assist in determining which investments are appropriate for the Client’s Investment Account. Clients should be aware that Composer is designed with frequent investing in mind. The fee structure may not be appropriate for individuals looking to make few or infrequent small-dollar investments. The Subscription Fee will be paid by direct debit from the Client’s bank account. In the event Composer cannot debit Subscription Fees from the Client’s bank account, it reserves the right to terminate a Client’s access to its advisory services. Each Client may also terminate at Composer’s services at any time.

Other Account Fees

In connection with the Composer's advisory services, and any purchase or sales by a Client, Clients may incur fees and/or expenses separate from Composer's services. A Client may incur certain charges imposed by custodians and other third parties. These include transfer fees, brokerage fees, administrative fees and other fees and taxes on brokerage accounts and securities transactions. The issuer of some of the securities or products purchased for Clients, such as ETFs or other similar financial products, may charge product fees that affect Clients. Composer does not charge these fees to Clients and does not benefit directly or indirectly from any such fees. Additionally, an ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. These fees are in addition to the management fee Clients pay to Composer. Clients should review all fees charged to fully understand the total amount of fees they will pay.

Item 6 Performance-Based Fees

Composer does not take performance-based fees. Fees are limited exclusively to a subscription model.

Item 7 Types of Clients

Composer's Platform is intended for use by anyone to gain access to customized portfolios built from ETFs and publicly traded equities.

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

Methods of Analysis and Investment Strategies

Composer considers a myriad of factors, including company fundamental and technical analysis, as well as traditional news, alternative data, macro events, human behavior, sentiment, social attitudes and data technology when curating Model Portfolios. Through the use of Composer's algorithm, each Model Portfolio is curated to promote diversification and return, but also to include certain hedging strategies designed to protect against market downturn. Each Model Portfolio is specific, and includes a specific default rebalancing schedule. Clients also have the opportunity to swap out, replace or remove securities from, and adjust the rebalancing for, any Model Portfolio.

The ETFs and other securities that comprise Client portfolios are selected via Composer's internal selection criteria. ETFs themselves are managed by the relevant fund manager/sponsor. Composer does not manage, control or receive compensation from ETF or other managers or the Custodians.

Rebalancing and initial investments are only performed during specific hours each day. There are inherent risks to the use of algorithms to drive portfolio transactions which may result in loss of capital. Composer also relies on certain vendors in order to provide portfolio rebalancing. In the event that one of these vendors is unavailable, Composer will not have the capability to rebalance the portfolio.

Through qualitative and quantitative due diligence, Composer selects ETFs and publicly traded equities to include in each Model Portfolio. Composer chooses ETFs because of their transparency, liquidity, fee models and diversification. Composer chooses stocks because of their exposure to specific industries, liquidity, transparency, risk profile, and diversification.

The ETFs and stocks selected represent an array of investment options across a broad range of investment strategies such as conservative, modest or aggressive balanced risk funds; asset classes such as small, mid, and large-cap U.S. equities, fixed income, real estate, commodities, or international; and industries such as healthcare, defense or consumer.

Risk of Loss

Clients should be prepared to bear the risk of loss by investing in securities. Investments made via the Platform involve substantial risk, such as various market, currency, economic, political and business risks. Consequently, investment efforts will not always be profitable, and there is no assurance Clients will get back the amount invested. Composer does not guarantee the future performance of any Client Investment Account. Subject to the Advisers Act and Investment Management Agreement and other applicable law contrary to the following, Composer shall have no liability for any losses in a Client's Investment Account. The price of any security or the value of an entire asset class can decrease due to a variety of factors beyond the control of Composer, including, but not limited to, changes in economic conditions, market sentiment, forecasted or unforeseen economic developments, interest rates, changes in government regulations, and domestic or international political, demographic, or social events. There is no guarantee that the intended results of a Model Portfolio will necessarily match the actual results. ***Past performance of a security is not necessarily indicative of future performance or risk of loss.*** High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client, or Composer on the Client's behalf, from selling his or her securities at all, or at an advantageous time or price because Composer and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Platform, by its automated nature, limits excessive trading risk. Even so, human programming errors may result in excessive trading. Composer cannot guarantee any level of performance or that any Client will avoid a loss of Investment Account assets. ***Investing in securities involves the risk of loss, including the principal amount invested, and clients should be prepared to bear this loss.***

When evaluating risk, each Client may have a distinct view of financial loss that is constituted by different risk items, each of which may affect the probability of unfavorable consequences and the extent of any potential losses. While not an all-inclusive list, prospective Clients should carefully consider the following risks before entering the Platform. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is, in fact, an occurrence.

Market Risk

The price of any security or the value of an entire asset class can decrease due to a variety of factors beyond the control of Composer, including, but not limited to, changes in economic conditions, market sentiment, interest rates, government regulations, and domestic or international political events. If a Client has a high allocation and/or exposure to an underperforming asset class, it may

negatively affect overall performance. Conversely, a low allocation and/or exposure to a particular asset class that outperforms other asset classes in a particular period will cause that Investment Account to underperform relative to the overall market.

Investment Risk

There is no guarantee that the intended results of Composer's judgment or investment decisions about particular securities or asset classes will necessarily match the actual results. Composer's choices may prove to be incorrect, and a Client might not reach his or her investment goals. Composer may modify investing algorithms and services that it provides. It is also possible that Composer or Clients themselves may experience technological issues that may impair access to Composer's software-based financial service, or the software-based financial services provided by the Clients' brokers or other third-party Custodians.

Software Risk

Composer delivers its investment advisory services entirely through software. Consequently, Composer rigorously designs, develops and tests its software extensively before putting such software into production with actual Client Accounts and assets and periodically monitors the behaviors of such software after its deployment. Notwithstanding this rigorous design, development, testing and monitoring, it is possible that such software may not always perform exactly as intended or as disclosed on the Site or other Composer disclosure documents, especially in certain combinations of unusual circumstances. For example, there may be occasions where a number of Client Accounts may experience issues when rebalancing back to the Client's target asset allocation for extended periods of time, due to certain errors in the deployment of the software. Composer continuously strives to monitor, detect and correct any software that does not perform as expected or as disclosed.

Volatility and Correlation Risk

Composer evaluates future performance of selected assets based in part on a careful evaluation of past price performance and volatility. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and may become more acute in times of market upheaval or high volatility. Past performance is not indicative of future results, and past returns or future projections may not reflect actual future performance.

Liquidity and Valuation Risk

High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling such Client's securities at all, or at an advantageous time or price because the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Composer values the securities held in an Investment Account based on reasonably available exchange-traded security data, Composer may from time to time receive or use inaccurate data, which could adversely affect

security valuations or other information which is processed by the Platform to suggest the Model Portfolios.

Credit Risk

Financial intermediaries or security issuers may be unable to meet their financial obligations for a variety of reasons outside of Composer's control, including, impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a Client, notwithstanding asset segregation and insurance requirements that are beneficial to Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities held by Clients. Finally, an issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. Composer seeks to limit credit risk through Model Portfolios investing in ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk

Government legislation or regulation may affect performance, which may include, but is not limited to: changes in regulation of investment advisers or securities trading; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations (particularly for ETFs dealing in natural resources).

Potentially High Levels of Trading Risk

Certain situations, such as the simultaneous receipt of a high volume of Client deposits or withdrawal requests, can lead Composer to engage in high levels of trading. High levels of trading could result in (a) bid-ask spread expense; (b) trade executions that may occur at prices beyond the bid-ask spread (if quantity demanded exceeds quantity available at the bid or ask); (c) trading that may adversely move prices, such that subsequent transactions occur at worse prices; (d) trading that may disqualify some dividends from qualified dividend treatment; unfulfilled orders or portfolio drift, in the event that markets are disorderly or trading halts altogether; and (f) unforeseen trading errors.

Foreign Investing and Emerging Markets Risk

Foreign investing presents different risks from those typically associated with U.S. investments, including, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. All of these risks may be exacerbated further in emerging markets. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such

as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices, and foreign regulation may be inadequate or irregular.

Frontier Markets Risk

Also known as “next emerging” markets, frontier markets generally present the risks associated with investing in foreign or emerging markets at a greater magnitude due to politically unstable conditions or other market disruptions.

Other Catastrophic Risks

Risk of loss may also arise from direct or indirect exposure to other catastrophic events, including (i) other public health crises (including existing or novel epidemic diseases, or the threat thereof including any outbreak of SARS, H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases); or (ii) other possible catastrophic events, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on Composer’s operational and financial performance will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that any such event occurs and has a material effect on global financial markets or specific markets in which Composer participates (or has a material effect on any locations in which Composer operates or on any of their respective personnel) the risks of loss could be substantial and could have a material adverse effect on the ability of Composer to fulfill its investment objectives.

ETF Risks, including Net Asset Valuations and Tracking Error

ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients and should be aware that to the extent they invest in ETF securities, they will pay two levels of compensation - the Subscription Fee charged by Composer plus any management fees charged by the issuer of the ETF. This scenario may cause a higher cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks

Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Composer may be affected by the risk that currency devaluations affect Client purchasing power.

Algorithmic Trading

Given that Composer provides advisory services on its web-based Platform, there is very little human involvement or oversight in the generation and management of Model Portfolios. Thus, there is an inherent technological risk in relying on software algorithms and models. Clients are advised that the Platform relies on computer models, data inputs and assumptions in generating trade orders. Statistical investing models, such as those used by Composer, rely on back-tested information, and, thus, may not operate as expected or intended when events having few or no historical antecedents occur, and, accordingly, may generate losses another manager could have been able to avoid. The Platform utilizes a predictive algorithmic model that is dependent on the input from Clients and therefore relies on a current, diverse and large enough pool of data points to achieve anticipated results. This predictive algorithmic model is currently untested and may not produce anticipated results. The algorithmic model may also rebalance Investment Accounts without regard to market conditions or on a more or less frequent basis than the Client might expect, and the algorithm may not address prolonged changes in market conditions. Further, the performance of the algorithm will necessarily be impacted by a Client who deviates from the Model Portfolio generated by the algorithm – any such deviation is done at the Client's own risk.

Cybersecurity Risks

Composer and its service providers and Client's brokers and Custodians may be subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs

and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Composer's Clients by interfering with the processing of transactions, affecting Composer's ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose Composer to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal information. While we have established business continuity plans, incident responses plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber-security risks also are present for issuers of securities and the Clients' brokers, which could result in material adverse consequences for such issuers and brokers and may cause a Client's investment in such securities to lose value. Further, Composer cannot control to the extent the Custodians and Clients' brokers have taken internal precautions against cyber-attacks and the Client should inquire with such Custodians and brokers which are ultimately responsible for affecting the trades within the Model Portfolios regarding the cybersecurity policies of the foregoing entities.

Investment Strategy Risks

There are risks associated with the long-term core strategic holdings. The more aggressive the investment strategy, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities.

Equity-Related Risks

The prices of equity securities will rise and fall. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

Large-Cap and Mid-Cap Risks

Large-cap and/or mid-cap segments of the stock market bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. During a period when large- and mid-cap U.S. stocks fall behind other types of investments, bonds or small-cap stocks, for instance, the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments.

Small-Cap and International Risks

Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and/or international stocks fall behind other types of investments, U.S. large- and mid-cap stocks, for instance, the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments.

Reliance on Management and Other Third Parties

All of the investments via the Model Portfolios are executed, traded, and managed by third-party brokers or Custodians and Composer merely provides investment advice. The Investment Advisor does not manage Clients' Investment Accounts directly. ETF investments will rely on third-party management and advisers.

Infrastructure Risks

Infrastructure-related investments are subject to a number of unique risks. These investments may be concentrated on a small number of projects, resulting in a high degree of risk with respect to each project. Further, these investments are often subject to foreign and emerging market risks.

Market Volatility

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

Margin Risk

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin.

Limitations of Disclosure

The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, Clients and may be subject to additional and different risk factors. No assurance can be made that profits will be achieved, or that substantial losses will not be incurred.

Item 9 Disciplinary Information

Composer has no legal or disciplinary events to report that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 Other Financial Industry Activities and Affiliations

Composer does not participate in any other financial industry activities. Composer is affiliated with Composer Securities LLC (the “**Broker**”), an SEC-registered and FINRA member broker-dealer. The Broker acts as an introducing broker-dealer for certain Client Investment Accounts, as described more fully in Item 12. The Broker also provides self-directed brokerage services that are available for Clients on the Platform. These self-directed brokerage services are separate from Composer’s services. If a Client is a customer of the Broker, either by using the Broker’s services or through an introducing relationship, there is an inherent conflict of interest involving common ownership. Although Composer is not directly compensated by a Client’s engagement with the Broker, Composer will indirectly benefit through common ownership. The more commercially successful the Broker is, the better it ultimately is for Composer. Notwithstanding this conflict, Composer believes that this arrangement does not interfere with its provision of advice to Clients because of its separate operating structure, separate personnel, and separate practices and controls.

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

Composer has adopted a code of ethics (the “**Code of Ethics**”) for all supervised persons of Composer describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Composer must acknowledge the terms of the Code of Ethics annually, or as amended.

Composer, individuals associated with Composer, or any related person(s) may buy or sell securities identical to or different from those included in the Model Portfolios which are made available to Clients.

Item 12 Brokerage Practices

When a Client agrees to the terms of the Investment Advisory Agreement and accepts the provision of advisory services from Composer, the Client grants Composer the authority to select the broker-dealer(s) that will be used to place and execute the transactions in the Investment Accounts. In this respect, we may be deemed to routinely direct our clients to execute transactions through specified broker-dealers. In making this decision we take into account the compatibility with Composer’s software. Currently, Composer uses both Apex and Alpaca Securities LLC (“**Alpaca**” and together with Apex, the “**Custodian**”) to execute all Client transactions. Provided that, depending on when a Client accepted the provision of advisory services and agreed to and accepted the terms of the Investment Advisory Agreement, the Custodian for a particular Client’s Investment Account will be different. Each Client will only have one Custodian. In selecting Alpaca, Investment Adviser did not consider any gifts or entertainment, Alpaca’s willingness to cover trade errors caused by Investment Adviser, or client referrals or capital introduction.

- For Clients who became Clients of Composer on or after November 28, 2023 in states where Composer Securities, LLC is registered, the Custodian is Apex

("Broker"). Any states where Composer Securities is not registered or if you became a client prior to November 28, 2023, the client will utilize Alpaca as its custodian.

- Further, Clients who became Clients on or after November 28, 2023 will be required to open a brokerage account with the Broker. The Broker provides self-directed brokerage accounts. When a Client opens an account with the Broker, the Client's Investment Account will be introduced to Apex, the Custodian, for purposes of clearance, execution and settlement of trades effected by the Broker, as well as trades placed by Composer on the Client's behalf. Broker will receive revenue from Apex as part of the clearing agreement between Broker and Apex. This revenue will be in the form of Payment for Order Flow.

In this respect we may be deemed to routinely direct our clients to execute transactions through specified broker dealers. By directing brokerage to a Custodian, we may be unable to achieve the most favorable execution for our clients' transactions.

The Custodian may send your orders to another broker-dealer for execution. The Custodian may accept payment for order flow from executing broker-dealers and may receive payment for order flow on your orders.

Custodian executes trades upon receipt of the Client's order. Despite this, there may, depending on the liquidity and demand in the market, be a material change in the market price of the security being bought or sold.

The Custodian is generally responsible for: (i) maintaining and recording transactions in cash and securities in Investment Accounts; (ii) sending orders placed by the Client for execution, clearance, and settlement; and (iii) providing a Client with statements, confirmations, other required documentation, and other information about a Client's Investment Account and transactions therein. Clients authorize the Custodian to execute all trades and transactions a Client makes via the Platform and authorizes the Custodian to establish and carry a Client's Investment Account that holds Client securities and cash and records the transactions a Client has made.

Investment Adviser may transmit or help facilitate a Client's requests for withdrawals or transfers to a Client's bank account and/or the Custodian. However, Investment Adviser shall have no authority to initiate any withdrawal or otherwise to transfer any securities or money out of an Investment Account. Withdrawals and transfers are the sole responsibility of the Client.

Investment advisers have a fiduciary obligation to seek best execution for their clients. Best execution is not solely determined by the lowest possible commission costs, but by the best qualitative execution. Best execution means executing securities transactions for clients in such a manner that the client's total purchase costs or sale proceeds in each transaction are most favorable under the circumstances.

When it comes to best execution, investment advisers have the following specific fiduciary obligations:

- to act in the best interest of clients when trading securities for clients' accounts, including attempting to avoid any conflicts of interest;
- to continually seek to obtain the best overall deal for clients when placing clients' trades;
- to periodically review executed client trades and the firm's trading practices to help confirm that clients are receiving best execution; and
- to disclose any unavoidable conflicts of interest pertaining to client trading.

Our evaluation to determine best execution is based on critical metrics essential for maintaining the highest standards of service and compliance for our customers, specifically focusing on the ability to fill orders, the occurrence of trade errors, the responsiveness of customer support, and the timeliness of query resolution. Our analysis aims to ensure that the Brokers continue to meet our best execution requirements, thereby safeguarding our Clients' interests and upholding our fiduciary responsibilities.

Item 13 Review of Accounts

Composer provides all Clients with continuous access to the Platform regarding information about Investment Account status, portfolio allocations, securities, and Investment Account balances. The Investment Account's will rebalance and adjust on an ongoing basis consistent with the Client's elections. Composer will not prompt the Client to review their accounts and any deviations will be made on a unilateral basis by the Clients if so desired.

Item 14 Client Referrals and Other Compensation

Composer and its related persons do not receive any economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to Clients. However, Composer may receive from a broker-dealer or a fund company, without cost and/or at a discount, certain services and/or products, to assist in monitoring and servicing Investment Accounts. These may include investment-related research, pricing information and market data, software and other technology that provide access to Investment Account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software, and other products used by Composer to assist Composer in its investment advisory business operations. Composer offers compensation for Client solicitations in accordance with Rule 206(4)-1 under the Advisers Act, and enters with third parties providing for, among other things, payments from Composer to third parties of a one-time or ongoing fees. Composer also engages in the use of client testimonials and endorsements in accordance with the new SEC Marketing Rule.

Item 15 Custody

The investments in each Client's Investment Account are held in a separate account in the name of the Client by an independent custodian, and not with Composer. All Investment Accounts managed through the Platform are required to use the Custodian selected by Composer as the independent custodian.

Item 16 Investment Discretion

The Client's maintain full discretion to choose the Model in which to invest in. Once the Client has selected the Model, Composer then obtains limited discretionary authority to rebalance the account to maintain the Model Targets and to reinvest dividends. without the Client's prior consultation, consent or approval, Clients may implement modifications on the Model Portfolios at their sole discretion, including removing or adding certain securities. However, this limited discretionary authority is only obtained after a Client has made the decision to invest. Further, Composer has the limited discretionary authority to give instructions to the Custodian to implement securities transactions for your Investment Account. This authority will include the ability to: (i) buy, sell and trade United States ("U.S.") equity securities; (ii) invest in and trade inverse exchange traded funds ("ETFs"); (iii) employ hedging strategies; (iv) periodically rebalance your portfolio; and (v) implement all of the above based on a Model Portfolio and any changes made by the client on the Composer Website regarding portfolio construction.

In addition, Composer shall have the authority in connection with its provision of advisory services under this Agreement (i) to determine when, how often, and in what amounts to invest or reinvest dividends in your Investment Account; (ii) to determine the timing of purchases in relation to deposits; and (iii) to determine the timing of sales and withdrawals in relation to requests for withdrawals or transfers.

Clients will receive Composer's Investment Management Agreement, which further outlines this authority and details the services Clients will receive, fees charged to Clients, and the conditions of Composer-Client relationship. Importantly, Composer does not provide overall financial planning services, nor does it provide tax advice.

Item 17 Voting Client Securities

As a matter of firm policy and practice, Composer does not have any authority to and does not vote proxies on behalf of Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in such Client's portfolio. Clients will receive proxies and other solicitations directly from the Custodian.

Item 18 Financial Information

Composer does not require the prepayment of any Subscription Fees six or more months in advance, although Composer does offer the ability for Clients to elect to pay the subscription fees for one year in advance. Composer does not have any adverse financial condition that is reasonably likely to impair its ability to continuously meet its contractual commitments to its Clients. Composer has not been the subject of a bankruptcy proceeding.