

CleverAlpha Asset Management LLC ("CleverAlpha"), is a limited liability company organized under California law, is an SEC-registered investment adviser that maintains its principal office at 709 27th Street, Manhattan Beach, CA 90226.

This brochure provides information about the business practices and qualifications of CleverAlpha, a registered investment adviser. Registration does not imply a certain level of skill or training but only indicates that CleverAlpha has registered its business with state and federal regulatory authorities, including the United States Securities and Exchange Commission ("SEC"). If you have any questions about the contents of this brochure, please contact us at support@cleveralpha.com 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 CleverAlpha is available on the SEC's website at www.adviserinfo.sec.gov.

BUSINESS DESCRIPTION

CleverAlpha is a digital only asset manager, offering investment advisory services over the internet to individuals and businesses directly via a B2C website www.CleverAlpha.com as well as a Sub-advisor to institutions like community banks, credit unions, RIAs and other financial professionals via a B2B2C white labeled platform of the CleverAlpha.com website.

CleverAlpha charges clients a single bundled fee that covers the investment advisory services it provides, as well as the brokerage and custodial services associated with holding and trading securities provided by its custodian broker-dealer. CleverAlpha's fees for Retail and Institutional Clients:

\$1 per month for accounts under \$10,000

or,

an annualized fee of 0.25% for larger accounts

There are no other separate fees for any trade execution or custody service. There is no minimum account size; however, the minimum deposit is \$10.

INVESTMENT STRATEGY

The function of CleverAlpha is to primarily provide an automated investing service. Before depositing funds with CleverAlpha, potential clients should consider paying off high-interest debt such as college loans, auto loans, revolving lines of credit or credit cards. Potential clients should also consider the options that are available to them through savings plans provided by their employers, schools or other organizations they may be affiliated with.

CleverAlpha directly manages the portfolios of Clients pursuant to each client's Advisory Agreement, and each client's financial goals and personal information through CleverAlpha's online application. At account opening, clients provide Account Opening information such as: age, financial condition, employment status, investment objectives, risk tolerance and time horizon. Then via a series of a risk tolerance score is mapped to the client which the algorithm utilizes for selecting target asset allocations. Acorns may require clients who accumulate investments exceeding specified amounts to provide additional information regarding their financial circumstances. Based on this information, CleverAlpha's algorithm will recommend a portfolio comprised of stocks, ETFs, Funds and/or cash (collectively, "Assets") targeting

each of the client's financial goals and account type. CleverAlpha's Investment Committee determines which portfolio strategies and Assets to offer to clients via an algorithm. CleverAlpha may change the specific Assets that comprise a particular Allocation without notice to clients, and clients cannot exclude any Assets from inclusion within their Allocation.

CleverAlpha uses algorithms to advise clients and manage their accounts. These algorithms are developed, overseen, and monitored by CleverAlpha's investment advisory personnel. When clients sign up for a CleverAlpha account, an algorithm, developed by CleverAlpha's investment advisory personnel, determines a recommended Allocation based on inputs from the client. Algorithms may also generate other types of advice regarding other investment decisions, including but not limited to Allocation selection, savings, contributions and distribution or withdrawal rates, automatic rebalancing, account type selection, and the amount of cash CleverAlpha recommends that Retail and Institutional Clients maintain in the bank account they have linked to their CleverAlpha account.

The algorithms described above will generate recommendations only from information that is input into the algorithm. Although, CleverAlpha collects a variety of information from clients, individualized information about every aspect of a client's personal financial situation is not elicited through CleverAlpha's website, and therefore, not considered by CleverAlpha's algorithms.

CleverAlpha algorithm specifically seeks to rebalance client portfolios so that each client's portfolio remains controlled to within a narrow range of the initially targeted, risk adjusted Internal Rate of Return (IRR) called the glide-path. CleverAlpha typically rebalances a client's account when a portfolio is identified as having drifted by an approximate plus or minus 10% from an initial glide-path IRR. The rebalancing threshold differs for certain custom portfolios.

To participate in CleverAlpha, clients agree to have their dividends automatically reinvested in accordance with their Allocation for taxable accounts and possibly even for retirement accounts or other plans. CleverAlpha also incorporates tax loss harvesting for taxable accounts, but CleverAlpha does not, provide tax advice to clients.

CUSTODIED FUNDS

In order to open an account with CleverAlpha, clients must establish a brokerage relationship with our Custodian, a broker-dealer registered with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). By entering into an Advisory Agreement with CleverAlpha, clients authorize and direct CleverAlpha to place all trades in clients' accounts through CleverAlpha's Broker Dealer. As such, CleverAlpha's Broker Dealer will maintain all client accounts and execute all securities transactions in client accounts without separate commission costs or other fees. CleverAlpha's procedures are designed to make every attempt to obtain the best execution possible, although there can be no assurance that it can be obtained. CleverAlpha places orders to buy and/or sell 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 and when to place orders for the execution of securities. If you want to control the specific time during the day that securities are bought and sold in your account you should not use CleverAlpha's service.

CleverAlpha generally trades on the same business day. However, transactions will be subject to processing delays in certain circumstances. For example, orders initiated on non-business days and after

markets close generally will not transact until the next business day. Additionally, orders for mutual funds placed after the daily deadline disclosed on CleverAlpha's website or BB2C Interface will not transact until the next business day.

In addition, CleverAlpha reserves the right, at any time and without notice, to delay or manage trading in response to market instability. CleverAlpha may do so where it determines it is appropriate to respond to extraordinary circumstances of market instability, as evidenced by extreme instances of elevated or intra day spikes in implied volatility, insufficient or unstable market depth, price dislocation, incomplete execution, fast markets and rapidly widening bid-ask spreads.

CLIENT VOTING RIGHTS

CleverAlpha shall not vote proxies, and shall not vote, any Equity or ETF Shares in customer portfolio accounts. Customers shall receive proxy materials directly from a third-party vendor on behalf of CleverAlpha and are responsible for voting the ETF Shares in their Portfolio Account.

POTENTIAL CONFLICTS OF INTEREST

CleverAlpha or individuals associated with CleverAlpha may buy or sell securities for their personal accounts that are identical to or different than those recommended to CleverAlpha's platform clients.

REVIEW OF ACCOUNTS

The CleverAlpha platform is available to individuals who are legal U.S. residents and maintain a checking account with a U.S. bank. CleverAlpha investment tools are designed to provide clients with continuous access to account information through CleverAlpha's online interface. Clients can utilize various tools on the interface to review their account and better understand their holdings and performance information. Clients also receive periodic emails from CleverAlpha with information about their accounts as well as links to account statements.

Clients are directed on at least an annual basis to update their information via the online platform.

PRIVACY POLICY

Protecting your private information is our priority. This Statement of Privacy applies to CleverAlpha Asset Management and governs data collection and usage. For the purposes of this Privacy Policy, unless otherwise noted, all references to CleverAlpha Asset Management include CleverAlpha. The CleverAlpha website is a Digital Asset Management site. By using the CleverAlpha website, you consent to the data practices described in this statement.

Collection of your Personal Information

In order to better provide you with products and services offered on our Site, CleverAlpha will collect personally identifiable information. If you sign up for CleverAlpha's services, we may further collect bank, billing and credit card information. This information is used to complete the funding of your account and for any subsequent contributions or distributions or withdrawals.

CleverAlpha may also collect anonymous demographic information, which is not unique to you.

We do not collect any personal information about you unless you voluntarily provide it to us. However, you may be required to provide certain personal information to us when you elect to open up an account.

These may include: (a) registering for an account on our Site; (b) sending us an email message; (c) submitting your bank account, credit card or other payment information when funding your account on our Site. To wit, we will use your information for, but not limited to, communicating with you in relation to services and/or products you have requested from us. We also may gather additional personal or non-personal information in the future.

PRIVACY

CleverAlpha is committed to maintaining the confidentiality and security of all users' personal information. CleverAlpha re-evaluates its privacy and security policies periodically to adapt as necessary to deal with new challenges. CleverAlpha may disclose personal information, without notice, if required to do so by law or in the good faith belief that such action is necessary to: (a) conform to the edicts of the law or comply with legal process served on CleverAlpha or the site; (b) protect and defend the rights or property of CleverAlpha; and/or (c) act under exigent circumstances to protect the personal safety of users of CleverAlpha, or the public. (d) CleverAlpha may also disclose your personal information only as follows: to analyze site usage and improve the service to deliver to you any administrative notices, money alerts, and communications relevant to your use of the service; to fulfill your requests for certain products and services; to service providers including custodians, broker-dealers, transfer agents, and accountants that agree to be bound by these privacy restrictions; to enforce CleverAlpha's Terms of Use; and as otherwise set forth in the CleverAlpha Privacy Policy.

CleverAlpha does not sell, rent or lease its customer lists to third parties.

A copy of the CleverAlpha Privacy Policy is available on the CleverAlpha website at

<https://www.cleveralpha.com/privacy>

FINANCIAL INFORMATION

To the best of CleverAlpha's knowledge, we are not aware of any financial condition that is reasonably likely to impair CleverAlpha's ability to meet its contractual commitments to its clients.

DISCIPLINARY HISTORY

CleverAlpha and its advisers have not been subject to any disciplinary events by regulators nor is it party to any legal events that are material to client evaluation of our advisory business.

TERMINATION OF ADVISORY RELATIONSHIP

The client agreement may be canceled at any time, by either party, for any reason. Upon termination of an account, unpaid fees will be due and payable.