

Form ADV Part 2A: Firm Brochure

3EDGE Asset Management, LP

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This brochure provides information about the qualifications and business practices of 3EDGE Asset Management, LP (“3EDGE”). If you have any questions about the contents of this brochure, please contact Kristi Hillyer, Chief Compliance Officer (“CCO”) at (844) 903-3343 or email compliance@3edgeam.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 3EDGE is also available on the SEC’s website at: www.adviserinfo.sec.gov.

3EDGE is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Item 2: Material Changes

The following material changes in 3EDGE's Form ADV Part 2A were made since our last annual update in March 2016:

- Items 4, 7 and 12: 3EDGE has entered into an arrangement to provide model portfolio investment recommendations to another investment advisor without providing trade execution or other services.
- Item 5: Separately managed account ("SMA") clients who are also private fund investors ("Investors") may receive an additional fee breakpoint for their SMAs.
- Item 8: In the section addressing the risks specific to private funds, 3EDGE added a disclosure highlighting the risks of selling securities short.

Item 3: Table of Contents

Item 1. Cover Page.....	1
Item 2. Material Changes.....	2
Item 3. Table of Contents.....	2
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation.....	5
Item 6. Performance Based Fees and Side-by-Side Management.....	6
Item 7. Types of Clients.....	7
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9. Disciplinary Information.....	12
Item 10. Other Financial Industry Activities and Affiliations.....	12
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ...	12
Item 12. Brokerage Practices.....	13
Item 13. Review of Accounts.....	15
Item 14. Client Referrals and Other Compensation.....	16
Item 15. Custody.....	16
Item 16. Investment Discretion.....	16
Item 17. Voting Client Securities.....	17
Item 18. Financial Information.....	17

Item 4: Advisory Business

3EDGE is a global, multi-asset investment management firm that seeks to blend scientific methodology with sound judgment and practical experience. Founded in December of 2015, 3EDGE is organized as a limited partnership under the laws of the State of Delaware. 3EDGE Asset Management General Partner, LLC is 3EDGE's general partner (the "General Partner"). Stephen Cucchiaro serves as the Chief Executive Officer and is the principal owner of 3EDGE and the General Partner. The investment activities of 3EDGE are managed by a seasoned team of investment professionals that includes Stephen Cucchiaro, DeFred G. Folts, Robert Phillips and Daniel Zraly.

Private Funds

3EDGE serves as the investment manager and provides discretionary advisory services to three private investment vehicles, two of which are organized as a "master-feeder" structure. 3EDGE Global Opportunities Fund, LP (the "Master Fund") is organized as a Delaware limited partnership and 3EDGE Global Opportunities Fund (Offshore), Ltd. (the "Feeder Fund") is organized as a Cayman exempted limited company. 3EDGE Global Opportunities Non-QP Fund, LP acts as a stand-alone fund (the "Non-QP Fund"). Collectively, all funds are referred to as the "Private Funds." An affiliate of 3EDGE, 3EDGE General Partner, LP, serves as the general partner to 3EDGE Global Opportunities Fund, LP and 3EDGE Global Opportunities Non-QP Fund, LP (the "Fund General Partner"). The Feeder Fund has a board of directors overseeing its operations. Assets of the Private Funds will be managed in accordance with the terms of each Private Fund's confidential Private Placement Memorandum, the Investment Advisory Agreement between 3EDGE and the Private Funds and the respective fund's limited partnership agreement (the "Fund Governing Documents"). Investors in the Private Funds will have no ability to direct or restrict investments by the Private Funds in any capacity.

Unless otherwise specified and to the extent that the context otherwise requires, references to "3EDGE", "us" or "we" include the Fund General Partner.

Separately Managed Accounts ("SMA")

We also provide discretionary advisory services to SMAs managed by us and provide sub-advisory services for client accounts of other investment advisory firms (each, an "SMA Client"). Each SMA strategy is based upon a similar investment philosophy and process, as well as our proprietary research. 3EDGE will primarily utilize exchange traded funds ("ETFs") to implement its strategy for SMA Clients. At our discretion, we may tailor our strategies to individual Client requests or restrictions.

SMA Clients, together with the Private Funds, shall be referred to herein as "Clients."

As of February 28, 2017, 3EDGE had approximately \$497 million in discretionary assets under management.

Model Portfolio Investment Recommendations

3EDGE provides model portfolio investment recommendations to an outside investment advisor without providing trade execution or other services. 3EDGE's fees for its services are negotiated directly with the investment advisor.

Item 5: Fees and CompensationGeneral

3EDGE provides investment advisory services to the SMA Clients pursuant to an investment management agreement ("IMA") with each SMA Client. As described above, 3EDGE will provide investment advisory services to the Private Funds pursuant to an IMA with each Private Fund.

Private Funds

3EDGE will typically receive compensation from management fees based on a percentage of assets under management and performance allocations. Investors should review the Private Fund's confidential Private Placement Memorandum for a description of all fees and expenses to fully understand the total amount of fees to be paid by the Private Funds and, indirectly, by Investors in the Private Funds.

Management Fee

Each Investor in the Private Funds will be charged an asset based fee (the "Management Fee") equal to 1.0% per annum of the net asset value of the Investor's investment in the Private Funds. The Management Fee will be assessed and deducted from the Investor's capital account in the Private Funds.

3EDGE, in its sole discretion, may elect to reduce, waive or charge the Management Fee on different terms with respect to any Investor in the Private Funds, including through separate written agreements with Investors and the establishment of different classes of participation in the Private Funds.

Performance Allocation

In addition to the Management Fee, the Fund General Partner will receive from the Private Funds an incentive allocation (the "Performance Allocation") in an amount equal to 15% of each Private Fund's annual net profits, subject to a high water mark. The Performance Allocation is assessed monthly.

The Performance Allocation may be waived or modified with respect to any Investor by the Fund General Partner, in its sole discretion, including through separate written agreements with Investors and the establishment of different classes of participation in the Private Funds.

Private Fund Expenses

The Private Funds will pay their organizational and offering expenses, including the expenses for its initial offering of interests in the Private Funds. Such expenses will generally be amortized

over a period of 180 months for tax purposes and may be amortized over a period of 60 months (or such shorter period as determined by the General Partner) for book purposes, which may result in an exception in the auditor's report that the Partnership's financial statements were prepared in accordance with GAAP. If such expenses are amortized for book purposes, the Private Funds may, in the Fund General Partner's sole and absolute discretion, accelerate the amortization of such expenses at any time.

The Private Funds will also bear the expenses of the continuous offering of interests in the Private Funds and the expenses of its operations, which may include (without limitation) the cost of producing and distributing offering memoranda and other marketing and subscription materials; printing and mailing costs; filing and regulatory fees and expenses; pricing and valuation fees and expenses; accounting, custodial, administrative, legal, audit, bookkeeping and tax preparation fees and expenses (including fees and expenses of any administrator or custodian); computer software, licensing, programming and operating expenses; data processing costs; consultant fees; tax, litigation, and extraordinary expenses, if any; investment expenses whether relating to investments that are consummated or unconsummated (e.g., expenses which, in the determination of the Fund General Partner or 3EDGE, as appropriate, are related to the investment of the Private Fund's assets, such as (without limitation) brokerage commissions, if any, spreads, mark-ups and other changes and fees on securities and other financial instruments, interest expenses (including interest due to repurchase agreements and any borrowings by the Private Funds), custodial and sub-custodial transaction charges and any costs associated with collateral management); insurance expenses; bank charges; currency hedging costs; and other investment and operating expenses. The Feeder Fund, as an Investor in the Master Fund, will bear its *pro rata* share of the Master Fund's organizational, investment and operational expenses.

Investors should review the Private Fund's confidential Private Placement Memorandum for a description of all fees payable by the Private Funds to 3EDGE and its affiliates, custodians, brokers and others. Fees and expenses payable to third parties in connection with the acquisition or disposition of the Private Fund's investments are borne by the Private Funds.

The brokerage fees and expenses applicable to an investment in the Private Funds are discussed in more detail in Item 12 "Brokerage Practices" below.

Separately Managed Accounts

The management fees charged by 3EDGE to SMA Clients are negotiated with each SMA Client or the investment adviser for the SMA Clients we sub-advise. Such management fees are generally paid quarterly in arrears, or as otherwise provided in the SMA Client's IMA, based on the average market value on each business day during the calendar quarter and prorated for partial quarters. SMA Clients do not pay a performance or incentive fee. 3EDGE generally intends to deduct the Management Fee directly from the SMA Client's custodial account; however 3EDGE may accommodate SMA Clients who prefer to receive an invoice for the services rendered. 3EDGE's services may be terminated by either party upon written notification in accordance with the terms of the SMA Client's IMA. SMA Clients are responsible for paying for services provided until the termination of the IMA. Management fees charged to investment advisers for accounts we sub-advise are negotiated with each investment adviser and may differ from the fees stated below. SMA Clients who also have investments in the Private Funds may receive an additional fee breakpoint for their SMA accounts.

Separately Managed Account Standard Fee Schedule

Asset Value	Annual Fee
First \$1 Million	0.80%
Next \$4 Million	0.70%
Next \$45 Million	0.60%
Amount Over \$50 Million	0.50%

In addition to the applicable management fee payable to 3EDGE, each SMA Client bears the trading costs for its account, including brokerage fees. For a more detailed description of the brokerage fees payable by SMA Clients, please refer to Item 12, Brokerage Practices, below. SMA Clients will indirectly be subject to the ETF's management, trading, and administrative expenses.

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

As described above in Item 5 "Fees and Compensation," we receive a Performance Allocation from the Private Funds. With respect to SMA Clients, we only receive an asset-based management fee and will not charge performance-based fees to SMA Clients. All Private Fund Investors are subject to a performance-based fee with the exception of employees and employees' families. Performance or incentive fees may create an incentive for 3EDGE to make investments that are more speculative than would be the case in the absence of such performance-based compensation. In addition, performance-based fees may create an incentive for 3EDGE to favor those Client accounts that have a performance-based fee over others that do not, as a performance-based fee has the potential to increase 3EDGE's overall compensation from that account.

Because some Clients' fees will include a performance-based component, 3EDGE has implemented policies and procedures to help prevent any conflicts of interest associated with 3EDGE favoring accounts from which it receives a performance fee.

Item 7: Types of Clients

Private Funds

We provide discretionary management and advisory services to the Private Funds directly and not individually to the Investors in the Private Funds. Investors in the Private Funds may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (e.g., funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The minimum commitment for an Investor in the Master Fund and Feeder Fund is \$1,000,000; however, 3EDGE and/or its affiliates may accept lesser amounts in their sole discretion. The minimum commitment for an Investor in the Non-QP Fund is \$500,000; however, 3EDGE and/or its affiliates may accept lesser amounts in their sole discretion. Investors in the Private Funds will

also be required to meet additional suitability qualifications. Investors in the Master Fund and Feeder Fund must be (i) “accredited investors” within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act of 1933; (ii) “qualified purchasers” within the meaning set forth in Section 2(a)(51) of the Investment Company Act of 1940 and the regulations thereunder and (iii) “qualified clients” within the meaning set forth in Rule 205-3 under the Advisers Act. Investors in the Non-QP Fund must be (i) accredited investors and (ii) qualified clients.

Separately Managed Accounts

SMA Clients generally are high net worth individuals and institutional Clients. This could include (but not be limited to) any of the following categories; individuals, family offices, multi-family offices, as well as institutional Clients including, endowments and foundations, public and private retirement plans, etc.

For our SMA Clients, the minimum investment is \$500,000; however, 3EDGE may in its discretion accept lesser amounts.

Model Portfolio Investment Recommendations

3EDGE provides model portfolio investment recommendations to an outside investment advisor without providing trade execution or other services. 3EDGE’s fees for its services are negotiated directly with the investment advisor.

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

3EDGE focuses exclusively on top down, portfolio allocation to create globally diversified portfolios. Our goal is to generate attractive, risk-adjusted investment returns over full market cycles by making investments in undervalued asset classes that are poised to begin a period of market outperformance due to identified catalysts.

3EDGE believes that markets tend to be relatively micro-efficient and macro-inefficient. This means that oftentimes market indices tend to outperform individual security selection due to wide dissemination of information about publicly traded securities. However, when investing across asset classes and geographies at the index level there is far less information available and herein lies the opportunity. Since asset classes at the index level are part of a complex, non-linear, dynamic system they tend to be more difficult to understand and therefore they are generally more apt to be mispriced than individual securities.

Our approach to investment management combines quantitative analysis with practical experience and judgment. Quantitative analysis plays an important role in our proprietary research methods, but any quantitative output is always further analyzed or confirmed by our investment committee before any investment decisions are undertaken. All quantitative investment research at 3EDGE represents a deductive approach. The fundamental idea is to first arrive at the essential theories that explain the true causal interrelationships that drive the global capital markets; we then test these theories through quantitative modeling. This deductive approach is only possible after many decades of studying the behavior of markets and their causal relationships across all market cycles. Our quantitative analysis also involves ongoing portfolio stress testing against a variety of

potential macro-economic, geo-political and “Black Swan” scenarios.

Our investment universe is broad and includes a wide variety of asset classes including equities, fixed income, real assets, commodities, gold and cash, as well as multiple currencies. In terms of geographies, we consider investments on a global basis including; the U.S., Europe, Asia, and Emerging and Frontier Markets. 3EDGE primarily makes use of index ETFs to create its investment strategies. ETFs provide 3EDGE an efficient and cost-effective way to build diversified portfolios that track most major indices for equities, bonds, commodities and other asset types. In addition, ETFs offer trading flexibility and tax benefits in comparison to mutual funds. Since our portfolio construction approach is based upon global asset allocation, we seek to utilize ETFs that provide exposure at the index level to a particular asset class or geography. Before including an ETF vehicle in our portfolios, analysis is conducted on the ETFs available in the space in which we seek to invest. Each potential ETF is evaluated in great detail in terms of total cost, transparency and liquidity (of both the ETF vehicle and the underlying constituents represented by the ETF). Prior to making an investment, 3EDGE also considers the tracking error and the potential for future tracking error based upon the composition and underlying holdings of each ETF vehicle. In addition, 3EDGE maintains strong relationships with major ETF providers, which which helps in our understanding of the available ETFs, including the strengths and weaknesses of various offerings.

Summary of the Principal Investment Risks

No guarantee or representation is made that the Client’s investment program, including, without limitation, the Client’s investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. The value of ETF shares will rise or fall as the price of the securities that comprise each ETF fluctuates. While ETFs may offer lower expenses compared to most mutual funds, trading costs could add up over time as Client portfolios are rebalanced to meet their investment objectives. No assurance can be made that profits will be achieved or that substantial or complete losses will be avoided. Past investment results of 3EDGE’s Client portfolios may not necessarily be indicative of future performance.

The following is a summary of the principal risks associated with 3EDGE’s portfolio management activities:

General Investment Risk. Investing in any securities involves risk of loss that Clients should be prepared to bear. Any investment in securities carries certain market risks. In addition to the factors discussed elsewhere in this Firm brochure, investments may decline in value for any number of reasons over which 3EDGE may have no control, including changes in the overall market for equity securities, and factors pertaining to particular portfolio securities, such as management, the market for the issuer’s products or services, sources of supply, technological changes within the issuer’s industry, the availability of additional capital and labor, general economic conditions, political conditions, and other similar conditions. The value of investments made by 3EDGE will fluctuate, and there is no assurance that a Client’s portfolio will achieve its investment objective.

Risks Related to Investments in Exchange Traded Funds. ETFs are primarily “passive” investment vehicles meaning that they seek to directly or inversely correlate with a particular index or basket of securities, without regard for or analysis of the prospects of the constituent securities. An index-based ETF may invest in all of the securities in such index or in a representative sample of such securities or sectors.

Tracking Risk. Generally, ETFs will not be able to duplicate exactly the performance of the underlying indices they track. The difference in performance between an ETF and the index it seeks to track can be due to, among other factors, the expenses that the ETF pays, regulatory constraints, investment strategies or techniques undertaken by an ETF (e.g., investments in options or futures) and changes to an underlying index. In addition, there may exist a lack of correlation between the securities in an index and those actually held by an underlying ETF.

Net Asset Value. The market price of an ETF may differ from the net asset value of its constituent securities (i.e., it may trade at a discount or premium to its net asset value). To the extent that an ETF trades at a discount to net asset value, the performance could be adversely impacted.

Market Trading Risk. Although ETFs will be listed on securities exchanges, there can be no assurance that an active trading market for such ETFs will always be available.

Limited Operating History. 3EDGE and the Private Funds have a limited operating history for prospective Clients and Investors to evaluate prior to making an investment as an SMA Client or an Investor in the Private Funds. There can be no assurance that any Client account will achieve results comparable to those that the investment professionals have achieved in the past.

Investment Judgment; Market Risk. The profitability of a Client’s investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that 3EDGE will be able to predict accurately these price movements. With respect to the investment strategies utilized by 3EDGE, there is always some, and occasionally a significant, degree of market risk.

Reliance on Key Person. Clients will be substantially dependent on the services of Stephen Cucchiaro. In the event of the death, disability, departure or insolvency of Stephen Cucchiaro, or the complete transfer of Stephen Cucchiaro’s interest in 3EDGE, the investments of the Clients may be adversely affected.

Equity Securities Generally. Trading in equity securities presents the following risks. Market prices of equity securities generally, and of certain companies’ equity securities more particularly, frequently are subject to greater volatility than prices of fixed income securities. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future.

Fixed Income Securities. Risks associated with investing in fixed income securities (i.e. bonds) include:

- The bond issuer's inability to pay interest or repay the bond;
- Increases in market interest rates cause the bond's value to fall;
- Illiquidity in the bond market, as well as potential illiquidity specific to bond ETFs, may make bonds and bond ETFs held in Client portfolios difficult to sell at certain times;
- The bond issuer may repay the bond prior to maturity offering Client's lower yielding investment options; and
- Inflation may reduce the effective yield on a bond's interest payments

Investing in Foreign Securities. 3EDGE may invest for Clients in non-U.S. securities and other assets, which may subject such investments to unique political, social, economic and international regulatory risks. These risks include political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels and limitations on the use or transfer of assets. In addition, enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments. In addition, the rate of return on an investment in a foreign security is not only subject to market risk but currency risk as well.

Risks specific to Private Funds:

Financial Markets and Regulatory Change. Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental as well as self-regulatory organizations' scrutiny of the "hedge fund" industry in general. The laws and regulations affecting businesses continue to evolve in an unpredictable manner. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the Private Funds' activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Private Funds. It is impossible to predict what, if any, changes in regulation applicable to the Private Funds or 3EDGE, the markets in which they trade and invest or the counterparties with which they do business may be instituted in the future.

Currency Risk. A Client's portfolio may contain investments in multiple currencies. However, the portfolio will maintain its books and intends to pay distributions in U.S. dollars. Accordingly, fluctuations in exchange rates between the U.S. dollar and the relevant local currencies may directly affect the value of the portfolio's investments and the ultimate rate of return realized by Investors. There can be no assurances that there will not be a recurrence of such fluctuations or exchange controls in the currency exchange rates of any of the countries in which the portfolio intends to invest. In addition, the portfolio may incur costs or delays in connection with conversions between various currencies. 3EDGE may evaluate the use of currency hedging arrangements to mitigate the risk of currency fluctuations and cause the portfolio to enter into such arrangements. However, there can be no assurance that such arrangements will be available, effective or sufficient to mitigate risk.

Shorting Risk. 3EDGE may engage in short selling in the Private Funds when it believes that the price of a security will decline. Selling securities short could result in losses significantly higher than the original investment. Short selling involves selling a security that the Private Fund does not own. The Private Fund borrows the security that is sold short with the goal of purchasing the security at a lower price to repay the lender of the security. If a security that is sold short rises in price, the short seller will lose money. Because there is no limit on how much a security's price may rise, securities sold short are subject to an unlimited risk of loss.

Investors in the Private Funds should review the Fund Governing Documents for a more complete discussion of the risk factors associated with an investment in the Private Funds.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's or Investor's evaluation of the adviser or the integrity of the adviser's management. Neither 3EDGE nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

An affiliate of 3EDGE, 3EDGE General Partner, LP, serves as the Fund General Partner. While the Fund General Partner is not separately registered with the SEC as an investment adviser, all of its investment advisory activities are subject to the Advisers Act and the rules promulgated thereunder. In addition, employees and persons acting on behalf of the Fund General Partner, if any, are subject to the supervision and control of 3EDGE.

3EDGE and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

3EDGE has developed and implemented a Code of Ethics (the "Code"), which sets forth standards of conduct that are expected of 3EDGE principals and employees and addresses conflicts that may arise from personal trading. The Code requires that 3EDGE and its employees comply with applicable Federal securities laws, and meet their fiduciary obligations to the Private Funds and SMA Clients and adhere to sound business ethics and principles. Each of 3EDGE's employees must acknowledge their receipt of the Code, their understanding of the provisions contained in the Code, and their agreement to abide by the principles, policies and procedures set forth in the Code, upon commencement of employment, annually and following any amendments to the Code.

3EDGE's Code addresses, among other things:

- Identification and handling of material non-public information;

- Prevention of insider trading; and
- Reporting and pre-clearance of:
 - o personal securities transactions and holdings;
 - o political contributions; and
 - o outside business activities

3EDGE has adopted employee personal trade reporting and monitoring procedures. 3EDGE's Code and personal trading policies prohibit 3EDGE employees from buying and selling the same securities that are recommended for Client accounts. In addition, 3EDGE's Code requires, among other things, that employees:

- Act in an ethical manner with the public, Clients, Investors, and prospective Clients and Investors;
- Place the interests of all Clients above their own personal interests;
- Never take inappropriate advantage of their position;
- Attempt to avoid actual or potential conflicts of interest; and
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.

Employees are required to disclose all outside business activities. In the event an outside business activity presents a conflict of interest with the Clients, 3EDGE reserves the right to restrict these outside business activities.

In addition to the risks inherent in receiving a performance-based fee from some, but not all, Client accounts as discussed in Item 6 above, there is a risk of one Client portfolio being favored over another when personal interests of 3EDGE or its affiliates are involved in the daily trading activity that also includes other Client accounts. For example, Stephen Cucchiaro has made, and other 3EDGE personnel may make, investments in the Private Funds, which trades alongside SMA Clients. 3EDGE has designed and implemented policies and procedures to prevent the conflict of interest of 3EDGE having an incentive to favor accounts in which its personnel have invested personal monies.

A copy of 3EDGE's Code of Ethics is available upon request by contacting Kristi Hillyer, Chief Compliance Officer, at 844-903-3343.

Item 12: Brokerage Practices

Selection of Brokers and Dealers

Generally, 3EDGE's discretion to buy and sell securities for Client accounts, select brokers to effect these transactions and negotiate any commissions or spreads paid on such transactions is established in each Client's IMA. 3EDGE seeks to obtain best execution for Clients' portfolio transactions by applying several factors to help ensure that trades are placed in the Clients' best interest. The lowest brokerage trading fee, while an important factor, is not the sole determining factor but is only one component to consider when striving to fulfill 3EDGE's obligation to

achieve best execution. Portfolio transactions generally will be effected through brokers on securities exchanges, directly with the issuer, through an underwriter, market maker or other dealer for the investments. Portfolio transactions will be executed by brokers selected solely by 3EDGE in its absolute discretion.

In determining which broker-dealer generally provides the best available price and most favorable execution, 3EDGE evaluates many factors, including:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Brokerage fees
- Liquidity of the securities traded
- Willingness to commit capital
- Percentage of trades executed in specific asset class YTD and MTD
- Ability to place trades in difficult market environments
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Broker-dealer's facilities and recordkeeping capabilities
- Broker-dealer's financial condition

Soft Dollars

3EDGE does not engage in soft dollar arrangements.

Order Aggregation and Average Pricing

When 3EDGE determines that it would be appropriate for the Private Funds and/or one or more SMA Clients to participate in the same investment opportunity, 3EDGE may aggregate SMA Clients' trades as well as aggregate SMA Clients' trades with the Private Fund's trades. A SMA Client's trades will be aggregated with the Private Fund's trades only if the SMA Client's trades are treated fairly and equitably with the Private Fund's trades and each participant in the trade receives average execution and pays average commissions. Situations may occur where a Client could be disadvantaged because of the investment activities conducted by 3EDGE for another Client as a result of, among other things: (i) legal restrictions on the combined size of positions that may be taken for all Client accounts managed by 3EDGE, thereby limiting the size of the a particular Client's position; (ii) the difficulty of liquidating an investment for more than one Client where the market cannot absorb the sale of the combined positions; and (iii) contractual or legal restrictions limiting the ability of 3EDGE to cause its Clients to transact in a particular security.

Due to system or market constraints, there may be instances from time to time when 3EDGE cannot complete all aggregated trades for all Client accounts for the same security or securities during the same day. When it is not possible for 3EDGE to complete all trades for all Client accounts during the same day, 3EDGE will use a process to allocate executed trades pro-rata across Client portfolios. There may be some variations in allocations based on account size and

security price. The remaining portion of the trade will be executed the following business day(s) at 3EDGE's discretion.

Step-outs

In seeking best execution for portfolio transactions on behalf of its Clients, 3EDGE regularly instructs the broker-dealer that executes a transaction to allocate, or "step-out" a portion, or the entirety, of such transaction to another broker-dealer (the "stepped-out broker"), especially when 3EDGE periodically reallocates or rebalances Clients' accounts. The stepped-out broker would then settle and complete the designated portion of the transaction, and the executing broker would then settle and complete the remaining portion of the transaction that has not been "stepped-out." At times, there may be multiple stepped-out brokers receiving portions of a trade. Each broker-dealer may receive a commission, brokerage fee, markup/markdown ("Brokerage Fees") with respect to that portion of the transaction that it settles and completes. Certain program sponsors and directed brokers may be unable to accommodate step-out trades.

Cross Trades

3EDGE will not execute any cross trades.

Trade Errors

3EDGE seeks to detect trade errors prior to settlement and to correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third party, such as a broker, 3EDGE will seek to recover any losses associated with the error from that third party. However, there is no guarantee that 3EDGE will be able to do so. In the event that a Client incurs a loss as a result of a trade error solely as a result of 3EDGE's bad faith, gross negligence, or willful misconduct, such error will be corrected by 3EDGE as soon as practicable and in a manner such that the Client incurs no loss. Trade errors that result in losses to Clients other than by breach of the standard of care stated in the previous sentence will be borne by the relevant Client.

Directed Brokerage

3EDGE typically does not permit Clients to direct brokerage for trading although exceptions may be permitted. Under such an arrangement, the Client would be responsible for negotiating terms for their account directly with the broker-dealer. Such accounts could be traded separately from other Client accounts and may pay materially disparate commissions, greater spreads, or other transaction costs, or receive less favorable net prices on transactions than would otherwise be the case.

Model Portfolio Investment Recommendations

In cases where 3EDGE provides model portfolio investment recommendations to another investment advisor, 3EDGE will only notify the investment advisor of any changes to 3EDGE's model portfolio after the model portfolio changes have been made in 3EDGE's discretionary Client accounts.

Item 13: Review of Accounts

All investments will be reviewed and approved by 3EDGE's investment team, which includes Stephen Cucchiaro, Robert Phillips, DeFred G Folts III, and Daniel Zraly. Investments within the

Private Funds and SMA accounts will be reviewed on a daily basis by 3EDGE investment personnel.

On a quarterly basis, a portfolio review report is generally prepared and sent to each SMA Client which includes a summary of each Client's respective portfolio valuation and performance for the period as well as a portfolio commentary. Clients will also receive statements directly from the custodian, either by mail or via the custodian's website. 3EDGE personnel will check in with Clients at least annually to review suitability and more frequently at the Client's discretion. Such reviews will be carried out by relationship management professionals.

On a monthly basis, Investors in the Private Funds will receive reports from the Fund Administrator, including each Investor's estimated portfolio valuation and performance for the period as well as a quarterly portfolio commentary.

Item 14: Client Referrals and Other Compensation

Prime brokers or their affiliates may provide capital introduction or other placement services to the Private Funds and 3EDGE (with or without separate charges for such other services).

From time to time 3EDGE may also enter into agreements with third party marketing firms to solicit 3EDGE SMA Clients. 3EDGE has developed and implemented policies and procedures regarding the use and compensation of solicitors. In general, we would intend to compensate these firms by paying out a percentage of our annual investment fees paid to us by our SMA Clients. The actual percentage paid out by our firm is at our discretion. All solicitation arrangements will be conducted in compliance with Rule 206(4)-3 under the Advisers Act.

Item 15: Custody

As a general rule, all SMA Client and Private Fund assets are held in custody by unaffiliated broker-dealers or banks. However, due to 3EDGE's access to the Private Funds' cash and securities as General Partner, 3EDGE is deemed to have custody of the Private Funds' assets. 3EDGE requires all SMA Clients to establish their own relationship with a qualified custodian. The Chief Compliance Officer then makes an independent determination whether the custodian is a qualified custodian for purposes of Rule 206(4)-2 under the Advisers Act. Rule 206(4)-2 regulates the custody practices of advisers.

SMA Clients should receive at least quarterly statements from their broker-dealer, bank or other qualified custodian that holds and maintains the SMA Client's investment assets. 3EDGE urges each Client to carefully review their custodial statements and compare it to the portfolio reports provided by 3EDGE. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. For example, most brokerage statements are based on the settlement date of securities transactions and 3EDGE's internal reports are based on the trade date of securities transactions.

3EDGE will establish custodial relationships for the Private Funds with institutions that the Chief Compliance Officer determines to be qualified custodians. Investors in the Private Funds will not

receive a statement directly from the Private Fund's custodian. 3EDGE's back office receives the custodial statement and completes a monthly reconciliation of each funds' account assets. In compliance with the annual audit provision provided in Rule 206(4)-2, 3EDGE obtains an audit of the Private Funds, conducted by a PCAOB-registered accounting firm, and delivers the audited financial statements to Investors in the Private Funds within 120 days of each Private Fund's fiscal year-end.

Item 16: Investment Discretion

3EDGE generally manages each SMA Client on a discretionary basis, which is designated through execution of an IMA. Clients may request reasonable investment restrictions, which 3EDGE will review and accept on a case by case basis. With respect to the Private Funds, the Fund Governing Documents provide 3EDGE discretion to manage the Private Funds.

3EDGE is not obligated to acquire for any Client any security that 3EDGE or its officers, partners, members or employees may acquire for its or their own accounts or for the account of any other Client, if in the absolute discretion of 3EDGE, it is not practical or desirable to acquire a position in such security.

Item 17: Voting Client Securities

In accordance with its fiduciary duty to Clients and Rule 206(4)-6 under the Advisers Act, 3EDGE has adopted and implemented written policies and procedures governing the voting of Client securities. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies"), in a prudent and diligent manner that are in the best interests of all of 3EDGE's Clients.

3EDGE has retained Broadridge's ProxyEdge voting system for casting votes and for the retention of proxy votes cast and has adopted Egan-Jones' Proxy Voting Principles and Guidelines. 3EDGE will generally utilize Egan Jones' voting guidelines and recommendations when casting votes. However, 3EDGE may also override such guidelines and recommendations on a case by case basis (e.g., when 3EDGE, as shareholder, proposes an item for consideration on the proxy ballot). All votes cast will be in the Clients' best interests. The Broadridge proxy voting system will receive information for all accounts and will reconcile all proxies received and votes cast. Generally SMA Clients and Investors in the Private Funds may not direct 3EDGE to vote in a particular solicitation.

Conflicts of interest may arise between the interests of the Client on the one hand and 3EDGE or its affiliates on the other hand. If 3EDGE determines that it may have, or is perceived to have, a conflict of interest when voting proxies, 3EDGE will vote in accordance with Egan Jones' recommendations. A copy of 3EDGE's proxy voting policies and procedures and/or its proxy voting record will be made available to Clients and Investors upon request.

Item 18: Financial Information

3EDGE does not solicit or require prepayment of fees more than six months in advance. 3EDGE does not have any financial condition that is likely to impair its ability to meet contractual commitments to Clients or Investors. In addition, 3EDGE has not been subject to any bankruptcy petition during the past 10 years.