

PART 2A OF FORM ADV

FIRM BROCHURE



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This brochure provides information about the qualifications and business practices of Little Harbor Advisors, LLC ("LHA"). If you have any questions about the contents of this brochure, please contact us at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. References in this brochure to LHA as a "registered investment adviser" are not intended to imply a certain level of skill or training.

Additional information about Little Harbor Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov

ITEM 2-MATERIAL CHANGES

LHA is updating its Firm Brochure as of August 2020. The changes made to LHA's Firm Brochure are intended to reflect the current provisions found in the Prospectus and Statement of Additional Information for LHA Market State™ Alpha Seeker ETF, to reflect the current provisions found in the Confidential Placement Memorandum for LHA Focused Long-Short Fund, L.P., and to reference LHA's intent to offer investment advisory services to separately managed accounts, private collective investment funds, and/or other registered funds in the future.

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ITEM 4

ADVISORY BUSINESS.

Little Harbor Advisors, LLC ("LHA") was founded in January of 2012 and filed with the SEC to be a registered investment advisor in August of 2013. LHA provides discretionary investment advisory services to LHA Market State™ Alpha Seeker ETF (the "Market State ETF"), the LHA Focused Long-Short Fund, L.P. (the "Private Fund"), and, in the future, may provide discretionary investment advisory services to separately managed accounts, other registered funds, and/or private collective investment funds.

The focus of LHA's investment advisory services is to implement each fund's investment strategy, manage and allocate fund assets, and to monitor and oversee a fund's investment return and exposure. Other than in regard to future separately managed accounts, LHA does not tailor its advisory services to individual investors and does not accept investor-imposed investment restrictions. As of July 31, 2020, LHA and its majority-owned affiliate, Thompson Capital Management, LLC ("Thompson Capital") had total assets under management/ assets under advisement of approximately 232,000,000, of which LHA managed approximately \$29,000,000 in the Market State ETF and \$3,900,000 in the Private Fund on a discretionary basis and approximately 202,000,000 of which is managed by Thompson Capital in separately managed accounts and model-based program assets.

TAI Equity Holdings, LLC is the managing member of LHA, and its managing member is LHA's President, John Hassett. The principal owner of TAI Equity Holdings, LLC is also John Hassett. Currently, LHA does not have any individual investor that has an ownership interest equal to or greater than twenty-five percent (25%).

LHA Market State™ Alpha Seeker ETF:

The Market State ETF is a series of ETF Series Solutions (the "Trust"). The Trust is an open-end management investment company consisting of multiple investment series. The Trust was organized as a Delaware statutory trust on February 9, 2012. The Trust is registered with the SEC under the Investment Company Act of 1940, as amended (together with the rules and regulations adopted thereunder, as amended, the "1940 Act"), as an open-end management investment company and the offering of the Market State ETF's Shares (the "Shares") is registered under the Securities Act of 1933, as amended (the "Securities Act"). The Trust is governed by its Board of Trustees (the "Board"). LHA serves as the investment adviser to Market State ETF. As the investment adviser to the Market State ETF, LHA has responsibility for its general management and administration.

The Market State ETF's investment objective is to seek to provide positive returns across multiple market cycles that are generally not correlated to the U.S. equity or fixed income markets. The Market State ETF is an actively-managed exchange-traded fund ("ETF") and seeks to achieve its investment

objective principally by investing long or short in instruments linked directly or indirectly to the performance and/or volatility of the S&P 500® Index based on models and analyses, described below, that seek to estimate the direction of the U.S. equity market. Such instruments may include index-based and other actively managed ETFs; leveraged, inverse, and inverse-leveraged ETFs; exchange-traded notes (“ETNs”); options; and futures contracts. The Market State ETF may also invest the remainder of its portfolio directly or indirectly in cash and cash equivalents. The Market State ETF seeks to achieve its objective by estimating the direction of the U.S. equity market and then using those estimates to select the ETF’s investments in long or short S&P 500 Index linked instruments and CBOE Volatility Index® (the “VIX® Index”) linked instruments. The Market State ETF’s strategy primarily relies on proprietary statistical models and analyses of the volatility of the S&P 500 developed, owned, and maintained by Thompson Capital, an affiliate of LHA. Portfolio net exposure is based on a proprietary process to quantify market risk by comparing volatility expectations across various time frames, as expressed by 30-day and 90-day implied volatility indexes and VIX futures. In general, a “long volatility” environment is one in which near-term volatility expectations are above longer-term volatility expectations. Similarly, a “short volatility” environment is characterized by lower near-term volatility expectations relative to longer-term expectations.

Each day, Thompson Capital’s quantitative models and analyses seek to estimate the direction and strength of U.S. equity market volatility based on the movement of the VIX® Index, which utilizes real-time prices of options on the S&P 500 to reflect investors’ consensus view of future (30-day) expected stock market volatility, and VIX Index futures and options prices. Such estimates are used by the Market State ETF’s portfolio managers to determine the extent to which the ETF’s exposure to the S&P 500 Index and/or the VIX Index will be long or short, or in cash. Based on the direction and strength of signals from Thompson Capital’s models, the portfolio managers determine on a discretionary basis in which instrument(s) to invest. Because the Market State ETF’s exposure may change daily, it may engage in active and frequent trading. A more detailed explanation of the Market State ETF’s investment strategy is found in its Prospectus, dated May 8, 2020 as amended.

LHA Focused Long-Short Fund, L.P.:

The Private Fund is a limited partnership organized under the Delaware Revised Uniform Limited Partnership Act in December of 2018. The Partnership was formed to pool investment funds of its investors and trade certain financial instruments. LHA Focused GP, LLC serves as the general partner of the partnership and is organized under the Delaware Limited Liability Company Act, and LHA serves as the investment manager. The Private Fund is exempt from registration as an investment company under the 1940 Act. LHA Focused GP, LLC is responsible for the overall management of the Private Fund’s affairs, including the management of its assets. LHA Focused GP, LLC delegated to LHA investment authority over the Private Fund’s assets. Additionally, LHA

delegated investment authority over the Private Fund's assets to Focused Capital, LLC, a Delaware limited liability company (the "Sub-Advisor").

The Private Fund's investment objective is to seek long-term capital appreciation on an absolute basis. Neither the Private Fund, LHA or the Sub-Advisor gives any assurance that the Private Fund will achieve its investment objective and investment results may vary substantially over time and from period to period. The Private Fund will use leverage in pursuing its investment objective. Leverage presents opportunities for the Private Fund to increase the total return on its investments. Leverage has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment would be magnified to the extent that leverage is utilized. The cumulative effect of the use of leverage with respect to any investment in a market that moves adversely to such investments could result in a substantial loss, which would be greater than if the investments were not leveraged.

The Private Fund has retained an independent administrator to perform certain administrative, accounting, and various analytical duties and an independent prime broker/custodian. The prime broker/custodian will provide services such as execution, custody, margin financing, and clearing and settlement of trades.

ITEM 5

FEES AND COMPENSATION.

LHA Market StateTM Alpha Seeker ETF:

For the services provided to the Market State ETF, LHA is paid a unified management fee, which is calculated daily and paid monthly, at an annual rate of 1.10% of the fund's average daily net assets. Pursuant to an investment advisory agreement, LHA provides investment advice and oversees the day-to-day operations of the fund, subject to the direction and control of the Board and the officers of the Trust. The unified management fee is automatically deducted by the fund administrator from the investor's account. It should be noted that detailed disclosure about the unified management fee is provided in the Prospectus and the Statement of Additional Information (the "SAI"). The Prospectus and SAI should be carefully reviewed prior to making an investment.

LHA is responsible for trading portfolio securities on behalf of the Market State ETF, including selecting broker-dealers to execute purchase and sale transactions, subject to the oversight of the Board. Under its investment advisory agreement, LHA is also responsible for arranging transfer agency, custody, fund administration and accounting, and other related services necessary for the fund to operate. LHA administers the Market State ETF's business affairs, provides office facilities and equipment and certain clerical, bookkeeping and administrative services. In exchange for the single unitary management fee, LHA has agreed to pay all expenses incurred by the fund except for interest charges on any borrowings, dividends and other expenses

on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, distribution fees and expenses to be paid by the fund under any distribution plan.

LHA Focused Long-Short Fund, L.P.:

Pursuant to an investment advisory agreement, LHA provides investment advice to the Private Fund and oversees the day-to-day operations of the fund. Additionally, LHA delegated investment authority over the Private Fund's assets to the Sub-Advisor.

LHA receives a monthly management fee equal to the percentage of each limited partner's share of the Private Fund's net assets (before deduction of that month's management fee and any accrued performance allocation (discussed below)). The Management Fee percentage is 0.08333 (approximately 1.00% annually). The management fee is calculated and payable to LHA monthly, in advance, as of the first day of each month. The management fee is automatically deducted by the fund administrator from the investor's account. It should be noted that detailed disclosure about the management fee is provided in the Private Fund's Confidential Placement Memorandum ("PPM").

Interests in the Private Fund may be sold through broker-dealers, placement agents, and other persons and who are entitled to a marketing fee or commission in connection with such activities, and such amounts may be deducted from the amount invested by a limited partner in the fund. Any such sales fees or charges would be assessed against the referred limited partner and would reduce the amount actually invested by such limited partner in the fund.

LHA has the responsibility for selection of the Private Fund's brokers and dealers, and it delegated certain of those responsibilities to the Sub-Advisor. The types of financial instruments in which the Private Fund invests normally are purchased through brokers on exchanges or directly from the issuer or from an underwriter or market maker. Purchases of financial instruments through brokers typically involve a commission to the broker. Purchases of financial instruments from dealers serving as market makers typically include the spread between the "bid" and the "ask" price. In placing portfolio transactions, the Sub-Advisor will seek to obtain the best execution for the Private Fund. A detailed disclosure about brokerage and other transaction costs is provided in the PPM.

Additional Fees and Expenses:

For private collective investment funds, LHA's management fee may not be inclusive of all the fees and expenses charged to the particular fund. The

following list includes representative fees and/or expenses that a fund may pay to third parties. This list is not intended to be exhaustive; the particular fund's offering documents will provide further detail relating to fees and expenses:

- Administrative, Transfer Agent and Custodial fees
- Organization, Offering, Audit, Accounting and Legal fees
- Brokerage commissions and transaction fees
- Marketing fees and sales charges
- Administrative costs related to withdrawal requests

For any future registered or private collective investment funds, a detailed disclosure about fees and expenses will be provided in the particular fund's offering documentation, including any supplements, provided to each prospective investor. Such documents should be carefully reviewed prior to making an investment in any particular fund.

ITEM 6

PERFORMANCE-BASED FEES.

LHA Market StateTM Alpha Seeker ETF:

The Market State ETF does not charge a performance-based fee. Generally, performance-based fees are based on a share of capital gains on, or appreciation of, the assets for a particular fund.

LHA Focused Long-Short Fund, L.P.:

Generally, at the close of each fiscal year (or shorter measurement period in certain circumstances), the Private Fund's general partner will receive a performance allocation (the "Performance Allocation") in an amount equal to 15% of the Private Fund's net profits (including realized and unrealized gains and losses) allocable to a limited partner's capital account during a particular measurement period, in excess of the Hurdle Rate (as defined below) for such fiscal year. The Performance Allocation is subject to a loss carryforward, or what is commonly known as a "high water mark" provision. The Performance Allocation is allocated or charged to each limited partner in proportion to its respective capital account.

The "Hurdle Rate" for each limited partner for any fiscal year is equal a 3% per annum return on such limited partner's capital account balances (as such rate may be adjusted for capital held for only a portion of such fiscal year). In the event that the rate of return on a limited partner's capital account does not exceed the Hurdle Rate in any fiscal year, such deficit shall not be carried forward as to any capital account to future fiscal years.

General Information About Performance Fees:

The appearance of a conflict of interest may arise where LHA charges a

performance-based fee to a fund, including that LHA and its portfolio manager(s) may have an incentive to favor accounts for which they receive performance-based fees. However, LHA maintains a Code of Ethics that establishes standards for the detection and prevention of activities by which a person having knowledge of the investment and investment intentions of any fund may abuse their fiduciary duties to any such fund.

In the future, LHA may launch other private collective investment funds or other registered funds that charge a performance-based fee. Please note, a detailed disclosure about performance-based fees and other expenses applicable to an investment in any particular private collective investment fund or other registered fund will be provided in that fund's offering documentation, including any supplements thereto.

ITEM 7

TYPES OF CLIENTS.

As described in **Item 4- Advisory Business**, LHA offers investment advisory services to the Market State ETF, the Private Fund, and, in the future, may provide investment advisory services to separately managed accounts, other private collective investment funds, and other registered funds.

LHA Market StateTM Alpha Seeker ETF:

The Market State ETF issues and redeems Shares at NAV (defined below) only in large blocks known as "Creation Units," which only Authorized Participants (the "APs") (typically, broker-dealers) may purchase or redeem directly from the fund. Creation Units generally consist of 25,000 Shares, though this may change from time to time. The Market State ETF generally issues and redeems Creation Units in exchange for a portfolio of securities closely approximating the holdings of the fund and/or a designated amount of U.S. cash. Once created, Shares trade in the secondary market in quantities less than a Creation Unit. Shares of the Market State ETF are listed on the Cboe BZX Exchange, Inc. (the "Exchange"), or on some other national securities exchange, and most investors will buy and sell Shares throughout the trading day like other publicly traded securities and through brokers at market prices, rather than the fund Net Asset Value (the "NAV"). Because Shares trade at market prices rather than NAV, Shares may trade at a price greater than NAV (premium) or less than NAV (discount). Additionally, when buying or selling Shares through a broker, investors will incur customary brokerage commissions and charges, and may pay some or all the spread between the bid and the offer price in the secondary market on each leg of a round trip (purchase and sale) transaction. Because secondary market transactions occur at market prices, an investor may pay more than NAV when he/she buys Shares and receive less than NAV when he/she sells those Shares. A more detailed explanation of how to purchase or sell Shares is found in the Market State ETF's Prospectus and SAI.

LHA Focused Long-Short Fund, L.P.:

Eligible investors for the Private Fund are (i) “accredited investors” within the meaning of Regulation D promulgated under the Securities Act, and (ii) (A) “qualified clients” as defined in Rule 205-3 of the Advisers Act, or (B) “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act, and who meet such other qualifications as required by the fund’s general partner. Among other things, investors (or their representatives) must be sophisticated in financial and business matters generally and in investing securities before subscribing for interests. The Private Fund’s general partner reserves the right to refuse any subscription for any reason. The minimum original capital contribution for each investor in the Private Fund is five hundred thousand dollars (\$500,000). However, the general partner of the fund has the discretion to accept original capital contributions less than that amount.

There is no public market for the Private Fund’s interests and no public market is expected to develop. Even if such a public market were to develop, no distribution, resale or transfer of an interest would be permitted, except in accordance with the provisions of the Securities Act, any applicable state securities laws and the terms and conditions of the Private Fund’s limited partnership agreement. Any transfer of interests by a limited partner, public or private, will require the consent of the fund’s general partner. Accordingly, before an investor is allowed to acquire an interest, he/she will be required to represent and warrant that he/she is aware of and can afford the risks of an investment in the Private Fund. He/She will also be required to represent that he/she is acquiring the interest for his/her own account, for investment purposes only, and not with any intention to resell or transfer all or any part of the interest.

In the future, LHA intends to provide investment advisory services to separately managed accounts, other private collective investment funds and/or registered funds, and these funds may have minimum investment requirements and investor qualifications that vary. The offering documentation for the particular fund will set forth a more detailed explanation of how to acquire an interest in such fund.

ITEM 8

METHODS OF ANALYSIS.

LHA Market StateTM Alpha Seeker ETF:

As stated in **Item 4- Advisory Business** above, in regard to the Market State ETF LHA seeks to provide positive returns across multiple market cycles that are generally not correlated to the U.S. equity or fixed income markets.

LHA seeks to achieve the investment objective principally by investing long or short in instruments linked directly or indirectly to the performance and/or volatility of the S&P 500® Index based on models and analyses, described in

Item 4- Advisory Business above, that seek to estimate the direction of the U.S. equity market. Such instruments may include index-based and other actively managed ETFs; leveraged, inverse, and inverse-leveraged ETFs; ETNs; options; and futures contracts. The Market State ETF may also invest the remainder of its portfolio directly or indirectly in cash and cash equivalents. The Market State ETF seeks to achieve its objective by estimating the direction of the U.S. equity market and then using those estimates to select the ETF's investments in long or short S&P 500 Index linked instruments and VIX® Index linked instruments.

All securities investments risk the loss of capital. No assurance can be given that the investment objective of the Market Share ETF will be met, or that the fund's investment strategy will be profitable. The portfolio managers utilize a quantitative program developed by Thompson Capital to implement a portion of the Market State ETF's investment strategy. The value of securities selected by using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as whole or securities selected using only fundamental analysis. LHA's use of derivative instruments in regard to the Market State ETF's investment strategy involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. The use of derivatives could reduce the Market State ETF's performance, increase its volatility, and could cause the fund to lose more than the initial amount invested. In addition, investments in derivatives involve leverage, which means a small percentage of assets invested in derivatives can have a disproportionately large impact on the Market State ETF. For a detailed description of the risks involved in the Market State ETF's investment strategy, please see the fund's Prospectus and its SAI which contain a review of the risks associated with the fund.

LHA Focused Long-Short Fund, L.P.:

As stated in **Item 4- Advisory Business** above, in regard to the Private Fund, it seeks capital appreciation on an absolute basis. No assurance can be given that the Private Fund will achieve its investment objective and the investment results may vary substantially over time and from period to period.

The Private Fund's investment strategy generally will be to hold U.S. equity securities and, less commonly, foreign securities traded on U.S. stock exchanges through American depository receipts. Exposure to these equity securities will normally vary between approximately 10% and approximately 90% of the fund's net assets. The Private Fund's long positions in U.S. equity securities will generally range between approximately 80% and approximately 140% of the value of fund assets, and its short positions in U.S. equity securities will generally range between approximately 20% and approximately 120% of fund assets. The Private Fund's investment objective is to seek long-term capital appreciation on an absolute basis. No assurance can be given that the Private Fund will achieve its investment objective and the investment results

may vary substantially over time and from period to period.

All securities investments risk the loss of capital. No assurance can be given that the investment objective of the Private Fund will be met, or that the fund's investment strategy will be profitable. For a detailed description of the risks involved in the Private Fund's investment strategy, please see the fund's PPM which contains a review of the risks associated with the fund.

ITEM 9

DISCIPLINARY INFORMATION.

LHA does not have any material legal or disciplinary item to disclose related to LHA's business or its management. Additionally, each of Thompson Capital and the Sub-Advisor has represented to LHA that it does not have any material legal or disciplinary item to disclose related to the services provided to LHA or the Private Fund. LHA is obligated to disclose any disciplinary event that would be material to a potential investor when evaluating a client relationship.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.

LHA is not registered as a broker-dealer and does not have an application outstanding to register as a broker-dealer. LHA is not a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of any such entity. Additionally, neither Thompson Capital or the Sub-Advisor are registered as a broker-dealer and neither has an application outstanding to register as a broker-dealer. Neither Thompson Capital or the Sub-Advisor is a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of any such entity.

In January 2020, LHA acquired a majority interest in Thompson Capital. Thompson Capital is an Illinois-based advisory firm that provides investment advisory services. Thompson Capital manages investment advisory accounts for individual clients. Thompson Capital provides advice to its clients regarding equity securities, convertible securities, debt instruments, options, futures, other derivatives, private securities, structure products, and other investments and instruments. Given the relationship between LHA and Thompson Capital, LHA does not believe there are any potential conflicts of interests between it and Thompson Capital.

A member of LHA has an affiliation with another investment management company, but despite any such affiliation LHA conducts its operations and its investment advisory services completely independent of that entity. The President of LHA, John Hassett, is also the Manager of that entity. However, other than the time that Mr. Hassett allocates to the operations of that entity, LHA does not believe there are any potential conflicts of interests between the companies. The two companies pursue different investment objectives and strategies, and the other entity is not making any new investments.

LHA does not receive compensation, directly or indirectly, from other

investment advisers.

ITEM 11

CODE OF ETHICS.

LHA has adopted a Code of Ethics pursuant to the requirements of the Investment Advisers Act of 1940 (the “Advisers Act”). Pursuant to LHA’s Code of Ethics, firm personnel are subject to general ethical conduct and fiduciary requirements, as well as to monitoring of their personal trading activities involving securities. The Sub-Advisor is also subject to the provisions of the LHA Code of Ethics.

The Code of Ethics applies to LHA’s access persons and to the Sub-Advisor and sets forth a standard of business conduct that takes into account LHA’s status as a fiduciary and requires access persons to place the interests of advisory clients and investors above their own interests. The Code of Ethics requires access persons to comply with applicable federal securities laws. Further, access persons are required to promptly bring violations of the Code of Ethics to the attention of LHA’s Chief Compliance Officer. All access persons are provided with a copy of the Code of Ethics and are required to acknowledge its receipt on at least an annual basis.

The Code of Ethics also sets forth certain reporting and pre-clearance requirements with respect to personal trading by access persons. LHA’s access persons must provide the Chief Compliance Officer with a list of their personal accounts and an initial holding report upon employment. In addition, LHA’s access persons must provide annual holdings reports and brokerage statements on a monthly or quarterly basis, as applicable. In addition, the Code of Ethics ensures the protection of nonpublic information about the activities of LHA’s advisory clients.

Investors or prospective investors may obtain a copy of LHA’s Code of Ethics by contacting the Chief Compliance Officer at (781) 639-3000.

ITEM 12

BROKERAGE PRACTICES.

LHA gives primary consideration to obtaining the most favorable prices and efficient executions of transactions. When securities transactions are affected, LHA agrees to have the fund pay commissions which are considered fair and reasonable without necessarily determining that the lowest possible commissions are paid in all circumstances. LHA believes that a requirement always to seek the lowest possible commission cost could impede effective portfolio management and preclude the Market State ETF and/or the Private Fund from obtaining a high quality of brokerage and research services. In seeking to determine the reasonableness of brokerage commissions paid in any transaction, LHA will rely upon its experience and knowledge regarding commissions generally charged by various brokers and on its judgment in evaluating the brokerage services received from the broker effecting the transaction. Such determinations are necessarily subjective and imprecise, as in

most cases, an exact dollar value for those services is not ascertainable.

LHA owes a fiduciary duty to its clients to seek to provide best execution on trades effected. In selecting a broker/dealer for each specific transaction, LHA chooses the broker/dealer deemed most capable of providing the services necessary to obtain the most favorable execution. "Best execution" is generally understood to mean the most favorable cost or net proceeds reasonably obtainable under the circumstances, but the most favorable cost is not the sole determinant. The full range of brokerage services applicable to a particular transaction may be considered when making this judgment, which may include, but is not limited to: liquidity, price, commission, timing, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers, arbitrage skills, administrative ability, underwriting and provision of information on a particular security or market in which the transaction is to occur. The specific criteria will vary depending upon the nature of the transaction, the market in which it is executed, and the extent to which it is possible to select from among multiple broker/dealers.

Specifically, in regard to the Private Fund, LHA has the responsibility for selection of the fund's brokers and dealers and it has delegated certain of those responsibilities to the Sub-Advisor. The Sub-Advisor is responsible for the placement of the portfolio transactions relating to the Private Fund's assets and the negotiation of any commissions paid on such transactions. Those transactions are executed through brokers selected by the Sub-Advisor in coordination with LHA. The Sub-Advisor and LHA may utilize the services of one or more introducing brokers, who will execute the Private Fund's brokerage transactions through clearing brokers, or custodians who will clear the fund's transactions. In placing portfolio transactions, the Sub-Advisor will seek to obtain the best execution for the Private Fund by, generally, taking into account the same factors as stated above.

LHA does not receive research or other products or services from broker-dealers or third parties in connection with advisory client transactions ("soft dollar benefits"). LHA does not select or recommend broker-dealers based on receiving investor referrals. LHA does not permit investors to direct their brokerage transactions related to the registered or private funds.

It is expected that future collective investment funds, separately managed accounts, and/or registered funds advised by LHA will allocate brokerage business generally on the basis of best available execution and may consider a broker's provision of brokerage, research and related services (but no absolute assurances can be made in that respect).

ITEM 13

REVIEW OF ACCOUNTS.

LHA is responsible for the implementation of, and portfolio analysis related to,

the Market State ETF's and the Private Fund's investment strategies. In regard to the Market State ETF, LHA provides investment advice and oversees the day-to-day operations of the fund, subject to the direction and control of the Board and the officers of the Trust. LHA, through the Market State ETF's portfolio manager, is also responsible for establishing, monitoring, adjusting, and re-balancing the allocations of fund assets. LHA monitors and analyzes the Market State ETF's investment returns and exposures daily as well.

In regard to the Private Fund, the Sub-Advisor has the day-to-day responsibility to review the fund's portfolio holdings. The Private Fund invests in securities of companies that have intrinsic value and sells short the securities of companies that have departed from their underlying value or which are determined by the Sub-Advisor to have unsustainable business models. The Sub-Advisor seeks to find a balance between alpha generation and prudent risk control. The Sub-Advisor undertakes a multi-factor review of potential holdings. Potential investments, long or short, are further evaluated through a bottom-up review process. The Sub-Advisor's research is used to develop a view as to the intrinsic value of a particular security. The Sub-Advisor constructs the portfolio to maintain the Private Fund's net exposure targets.

No risk-management and review process is fail-safe, and no assurance can be given that LHA's risk management and review process, or that of the Sub-Advisor, will achieve its objective. From time to time, LHA may modify or change its risk management and/or review process.

ITEM 14

CLIENT REFERRALS.

LHA Market StateTM Alpha Seeker ETF:

In regard to the Market State ETF, LHA and its related persons, out of its own resources and not out of Market State ETF assets (i.e., without additional cost to the Market State ETF or its shareholders), may pay certain broker dealers, banks, financial intermediaries and other persons ("Intermediaries") for certain activities related to the Market State ETF, including participation in activities that are designed to make Intermediaries more knowledgeable about exchange traded products, including the Market State ETF, or for other activities, such as marketing and educational training or support (including conferences, webinars and printed communications). These arrangements are not financed by the Market State ETF and, thus, do not result in increased Market State ETF expenses.

LHA Focused Long-Short Fund, L.P.:

Interests in the Private Fund may be sold through Intermediaries which are paid a marketing fee or commission in connection with such activities, including ongoing payments, at the expense of the Private Fund's general partner. The general partner may deduct a percentage of the amount invested by a limited partner in the Private Fund to pay sales fees or charges to an

Intermediary based upon the amount of the capital contribution of the particular limited partner. Any such sales fees or charges would be assessed against the referred limited partner and would reduce the amount actually invested by such limited partner in the Private Fund.

Payments to an Intermediary may be significant to the Intermediary, and amounts that Intermediaries pay to an investor's financial adviser, broker or other investment professional, if any, may also be significant to such adviser, broker or investment professional. Any payment made by LHA or its related persons to an Intermediary may create a conflict of interest by providing an incentive for an Intermediary to encourage customers to buy an interest in a particular fund. Because an Intermediary may make decisions about what investment options it will make available or recommend, and what services to provide in connection with various products, based on payments it receives or is eligible to receive, such payments create conflicts of interest between the Intermediary and its clients. For example, these financial incentives may cause the Intermediary to recommend the Market State ETF or the Private Fund over other investments. The same conflict of interest exists with respect to an investor's financial adviser, broker or investment professional if he or she receives similar payments from his or her Intermediary firm. Additional information regarding any payments that an Intermediary firm may receive related to an investment in the Market State ETF or Private Fund may be obtained directly from the investor's financial adviser, broker or other investment professional.

In regard to private collective investment funds launched in the future, LHA and its related persons may compensate third parties who are not supervised persons for investor referrals. The general partner of a future fund may sell interests in the fund through broker-dealers, placement agents, and other persons and pay a marketing fee or commission in connection with such activities. The general partner also or alternatively may deduct a percentage of the amount invested by an investor in the fund to pay sales fees or charges, on a fully disclosed basis, to a broker-dealer, placement agent or other person based upon the amount of an investor's contribution introduced to the general partner by such broker-dealer, placement agent or other person. Any such sales fees or charges would be assessed against the referred investor and would reduce the amount actually invested by such investor in the fund. The fees and charges to each investor may vary, depending on the amount invested and other factors.

In some instances, LHA may pay broker/dealers or an independent third-party a portion of the fees paid to LHA or other compensation. Such compensation is paid in a manner intended to comply with Rule 206(4)-3 of the Advisers Act, which regulates the payment of solicitation fees by registered investment advisers, as well as applicable regulations under the Securities Exchange Act of 1934, as amended.

ITEM 15**CUSTODY.**

LHA does not have actual physical custody of any investor account or any of an investor's funds or securities.

LHA Market StateTM Alpha Seeker ETF:

In regard to the Market State ETF, Shares are held in book entry form, which means that no stock certificates are issued. The Depository Trust Company ("DTC") or its nominee is the record owner of all outstanding Shares. Investors owning Shares are beneficial owners as shown on the records of DTC or its participants. DTC serves as the securities depository for all Shares. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations, and other institutions that directly or indirectly maintain a custodial relationship with DTC. As a beneficial owner of Shares, an investor is not entitled to receive physical delivery of stock certificates or to have Shares registered in his/her name, and he/she is not considered a registered owner of Shares. Therefore, to exercise any right as an owner of Shares, the owner of the Shares must rely upon the procedures of DTC and its participants. These procedures are the same as those that apply to any other securities that an investor holds in book entry or "street name" through his/her brokerage account. The Market State ETF has a third-party, qualified custodian for the fund's assets. The custodian holds and administers the assets in the fund's portfolios. Pursuant to the Market State ETF's Custody Agreement, the custodian receives an annual fee from the fund based on the fund's total average daily net assets, subject to a minimum annual fee, and certain settlement charges. The custodian also is entitled to certain out-of-pocket expenses. Investors in the Market State ETF receive account statements directly from the qualified custodian or the fund administrator.

LHA Focused Long-Short Fund, L.P.:

The Private Fund invests a portion of its assets in financial instruments that are held at a bank, broker or other type of entity that meets the requirements of a "qualified custodian" for purposes of the Advisers Act. As needed, the Private Fund enters into agreements to effect, execute, settle and arrange for the clearing of financial instrument transactions with brokers and other financial depository institutions. The prime broker/custodian receives a fee from LHA for the services rendered to the fund or the fund administrator.

In regard to future collective investment funds, LHA will maintain the cash assets of the particular fund in custodial accounts with a "qualified custodian" pursuant to Rule 206(4)-2 under the Advisers Act. LHA will notify, or instruct the custodian to notify, investors in writing of the qualified custodian's name, address and the manner in which the assets are maintained promptly when an investor's account is opened and following any changes to this information.

ITEM 16**INVESTMENT DISCRETION.**

LHA has discretionary authority over its client's accounts. LHA provides discretionary investment advisory services to the Market State ETF, the Private Fund, and, in the future, it may provide discretionary investment advisory services to separately managed accounts, additional private collective investment funds, and/or other registered funds. The investments of a particular fund are managed in accordance with the investment objectives, strategies and guidelines set forth in the offering documents of the particular fund and are not tailored to any particular investor in such fund.

Pursuant to the applicable investment advisory agreement, LHA provides investment advice and oversees the day-to-day operations of the particular fund, in the case of the Market State ETF this advice is subject to the direction and control of the Board and the officers of the Trust. In regard to future private collective investment funds and/or registered funds, LHA will be authorized by the applicable general partner, management person(s), Board, or Trust to allocate a fund's assets among different, securities, financial instruments and/or other investment vehicles.

LHA does not provide individualized investment advice to investors, other than in regard to separately managed accounts entered into in the future. Investors in each of its funds do not have the ability to impose limitations on LHA's discretionary authority. Prospective investors are provided with an offering document prior to their investment and are encouraged to carefully review the offering document and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk.

ITEM 17**VOTING OF SECURITIES.**

The Market State ETF and the Private Fund have delegated proxy voting responsibilities to LHA, in the case of the Market State ETF such authority is subject to the Board's oversight, and in the case of the Private Fund such authority has been delegated to the Sub-Advisor. LHA and the Sub-Advisor vote proxies consistent with the particular fund's and its investors' best interests and in compliance with all applicable proxy voting rules and regulations. LHA has adopted proxy voting policies and guidelines for this purpose ("Proxy Voting Policies") and the Sub-Advisor has adopted these policies and guidelines. A copy of the Proxy Voting Policies is attached to the Market State ETF's SAI as Appendix A and can be provided by email or mail when requested by an investor in the Private Fund.

The Proxy Voting Policies address, among other things, material conflicts of interest that may arise between the interests of the particular fund and LHA and require that all issues brought to investors are analyzed in light of LHA's fiduciary responsibilities. In regard to the Market State ETF, the Proxy Voting Policies have been adopted by the Trust as the policies and procedures that LHA will use when voting proxies on behalf of the fund. Due to the nature of the Market State ETF's principal investment strategies, the fund is not expected

to receive a significant number of proxy solicitations. When available, information on how the Market State ETF voted proxies relating to portfolio securities during the most recent 12-month period (ended June 30th) of each year can be provided, without charge, upon request by calling (800) 617-0004 or on the SEC's website at www.sec.gov. In regard to the Private Fund, investors may contact LHA's Chief Compliance Officer at (781) 639-3000.

In the future, LHA or a fund it advises may receive notices seeking consent in order to materially change certain corporate rights or to change material terms of organizational or operating documents. To the extent that a fund receives notices or proxies, when LHA has been delegated proxy voting responsibilities, it will vote consistent with the fund's best economic interests. In general, LHA believes that voting proxies in accordance with a fund's best economic interests will be in the best interests of the particular fund.

At times, conflicts may arise between the interests of investors, on the one hand, and the interests of LHA or a particular fund, on the other. If LHA believes that a matter involves an actual or perceived conflict of interest, LHA will address matters involving such actual or perceived conflicts of interest on a case-by-case basis in a fair and equitable manner, subject to legal, regulatory and other applicable considerations, including in some instances utilizing a third-party proxy voting service to provide their assessment. In exercising its voting discretion, LHA will seek to avoid any direct or indirect conflict of interest presented by the voting decision.

ITEM 18

FINANCIAL INFORMATION.

LHA does not require or solicit prepayment of more than \$1,200 in fees per fund, six months or more in advance and therefore is not required to include a balance sheet with this brochure. LHA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to any funds it manages, and it has not been the subject of a bankruptcy proceeding.