

Item 1: Cover Page

Oak Thistle LLC
ADV Part 2A Brochure
360 Madison Ave
20th Floor
New York, NY 10023

August 21, 2020

This Form ADV Part 2A ("Brochure") provides information about Oak Thistle LLC and its business for the use of clients and prospective clients. If you have any questions about the contents of this Brochure, please contact us using one of the methods 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. Registration of an investment advisor and does not imply any certain level of skill or training.

Additional information about our firm is available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

Oak Thistle LLC is required to advise clients and prospective clients of any material changes to our Firm Brochure (“Brochure”) from our last annual update. In connection with our transition from exempt reporting adviser status to full registration, we have created our first Brochure. In the future, we will use this section to identify material changes that may take place between annual updates.

Clients will receive an annual summary of any material changes to this and subsequent Brochures no later than April 30th, which is 120 days after our fiscal year-end. At that time, we will offer a copy of our most current Disclosure Brochure. We will also promptly provide ongoing disclosure information about material changes, as necessary.

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Item 4. Advisory Business

Oak Thistle LLC (“we,” “us,” “our,” or “Oak Thistle”), a Delaware Limited Liability Company, was formed in 2015 and has operated as an exempt reporting adviser since 2018. In August, 2020, we submitted an application for registration with the SEC as an investment adviser. Oak Thistle is 100% owned by Hensle 2014 Dynasty Trust. David Hensle is Oak Thistle’s sole Manager, and is responsible for the overall investment strategy and management of the firm’s advisory assets.

Types of Advisory Services

Sub-Advisory Services – Separate Account Management

Oak Thistle acts as a sub-adviser to unaffiliated investment advisers. In these cases, the third-party adviser (“TPA”) selects Oak Thistle to manage separate accounts overseen by the TPA. Our agreement is with the TPA, not with the end client, and the TPA retains the discretionary authority to hire us, as well as to terminate our services. The TPA is responsible for determining that Oak Thistle’s strategies are appropriate for the TPA’s client and for ongoing monitoring of our management in light of the end-client’s needs.

Sub-Advisory Services – Pooled Investment Vehicles

Oak Thistle also provides sub-advisory investment management services on a discretionary basis to privately offered pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended. The TPA selects Oak Thistle to manage a portion of selected funds, based on the TPA’s view that Oak Thistle’s strategies are consistent with the fund’s objectives.

Other Information about our Services

We manage all assets on a discretionary basis, although the TPAs that select us may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. We are a systematic investment firm focused on generating uncorrelated alpha. We invest primarily in listed US equities and comparable securities in non-US markets. We use automated and scalable trading processes, driven by quantitative investing methods.

When advising separate accounts, we employ a tax overlay strategy in which we attempt to passively harvest losses for tax purposes while trying to match the benchmark selected by the TPA on a pre-tax basis.

We do not offer or participate in any wrap fee program.

As of July 31, 2020, we managed approximately \$112 million, all on a discretionary basis.

Item 5. Fees & Compensation

Investment Management Fees

Fees for our investment management services to TPAs are billed monthly based on the unlevered value of the assets under management on the last day of the month. Our maximum annual rate is 2%, charged monthly in arrears. Our fees are negotiable and the specific terms and conditions are described in the TPA agreement. Our agreements with TPAs also specify that, if the TPA intends to pay our fee from the TPA’s end-client assets, the TPA is authorized to do so. The actual impact of our fees on those paid by TPA end-clients is determined by the TPA’s agreement with its own clients and is entirely separate from the TPA’s agreement with Oak Thistle. This means that

some TPA end-clients may pay the TPA additional fees to cover the costs of Oak Thistle's services, and some may not.

We are also entitled to performance-based fees in connection with our sub-advisory services to private funds, as described in Item 6.

Other Fees and Charges

All management fees paid to Oak Thistle are separate and distinct from the fees and expenses charged by third parties. The separate fees and expenses include, but are not limited to custodial fees, execution costs, margin interest, borrowing charges on securities sold short, or other fees and taxes on brokerage accounts and securities transactions.

TPAs are also responsible for their own operating and investment expenses including, but not limited to: fees, costs and out-of-pocket expenses incurred in connection with the formation of a fund, fees and expenses of any advisers and consultants to the client/fund; external legal, auditing, accounting, administration, registered office, trustee, tax return preparation and other professional fees and expenses; fees and expenses of the client's/fund's directors, where applicable, including the costs associated with meetings; fees and expenses of the fund's administrator; out of pocket costs of the clients reporting to regulatory authorities; taxes, fees and governmental charges or filing fees; fees and expenses of prime brokers, futures commission merchants, dealers, custodians, transfer agents, brokerage commissions, payments and expenses and other costs of trading, acquiring, monitoring or disposing of any investments of the fund or separate account we sub-advise.

There may be other costs, such as for data and research platforms, that we may incur in our investment decision-making process and pass onto the TPA if agreed between Oak Thistle and the TPA. If applicable, these costs will be detailed in the sub-advisory agreements. Otherwise, we are generally responsible for our own operating costs.

Item 6. Performance-Based Fees & Side-By-Side Management

As a sub-adviser to private funds/pooled vehicles ("funds"), Oak Thistle receives performance-based compensation based on a share of the capital gains or capital appreciation of specific assets of the pooled vehicle sub-advised by Oak Thistle, in some cases as measured above an applicable benchmark. Whether we are entitled to performance-based fees is a function of our agreement with the TPA and whether the fund in question charges performance-based fees.

Currently, Oak Thistle is entitled to receive incentive fees from certain TPAs in amounts generally ranging from 15% to 37.5% of the net profits (in certain cases, above an applicable benchmark) for each calendar month, quarter or year, as applicable; provided that the incentive fees may be adjusted for any previously unrecovered net losses (or underperformance relative to an applicable benchmark), and are subject to certain other adjustments and provisions. Calculation method and requirements are detailed in the agreement we enter into with the TPA and, if applicable, in the offering documents for any private fund that has an incentive fee.

Our sub-advisory relationships include both accounts where we receive performance fees and accounts where we do not (side-by-side management). This creates a conflict because we have a financial incentive to favor accounts that pay us performance-based fees. Similarly, advisers who receive performance have a theoretical incentive to take additional risks with performance-based assets because additional risk can often increase the possibility of outsized performance. Our entire approach to investing is predicated on a specific approach to risk that our strategies are developed to address. We could not take "additional risk" without violating the underlying investment

approach for a given client. Further, because our investment process is quantitative and automated, and is specifically designed to avoid behavior inefficiencies and cognitive biases, we have limited ability to make any decisions that would favor or disfavor a particular client. We address the conflicts inherent in side-by-side management by disclosing them and by ensuring that our investment process is focused on the objectives of the accounts, not the compensation we will receive. Our internal systems are structured to provide for numerous reviews to ensure that the strategy used for a particular client is working as intended.

Item 7. Types of Clients & Account Requirements

Our clients are limited to other investment advisers (TPAs), for whom we act as sub-adviser to private funds and separately managed accounts.

Our minimum account size is \$250,000 for sub-advised separate accounts and \$10 million for sub-advised private funds.

Item 8. Methods of Analysis, Investment Strategies & Risk of Loss

We are a systematic investment firm focused on delivering high risk-adjusted returns. Our aim is to generate uncorrelated alpha while targeting a market beta to zero. Liquidity and concentration risk constraints are applied at the individual security level. We also manage factor loadings to prevent correlations with other market participants' portfolios and to isolate idiosyncratic alphas.

Our approach uses proprietary systematic models that automate trading decisions and aim to remove common behavioral biases and cognitive errors when human beings intervene in day-to-day trading decisions. We develop our investment models internally and test the viability before implementation using a back-testing framework. The fact that we have tested the viability does not, however, mean that the strategy will be successful in real-time or will function in the same way as the back-tested model. Once we implement a strategy, we monitor outcomes to confirm that the strategy is functioning as intended and that the built-in limits on risk exposure are implemented correctly.

Methods of Analysis

Oak Thistle utilizes structured, mathematical and rules-based methods of analysis. We have designed proprietary models and technology that guide our investment decision-making processes. We use a variety of data inputs from third-party sources.

Investment Strategies

We employ two primary strategies:

The first is a hedge fund strategy in which we run a leveraged, market neutral strategy that aims to produce absolute returns. The second is a tax-loss harvesting strategy. This strategy seeks to replicate the return of a client-specified benchmark (such as the S&P 500) with minimal tracking error and while also harvesting tax losses. This strategy does not employ any leverage.

Oak Thistle's strategies are quantitative, rules-based, and risk-managed and are intended to address the specific investment objectives of our clients. In pursuing these strategies, we typically invest only in highly liquid US equities, and comparable securities in non-US markets. As noted above, our strategies may be leveraged and employ either long/short or long-only approaches. Our trading is typically short-term, which can generate substantial transaction costs and tax consequences.

Oak Thistle recognizes that no investment strategy will achieve positive performance results in every political, economic and market environment. Investing in securities and other financial instruments involves the risk of total loss and, in certain circumstances, the risk of losses exceeding the value of the assets managed. In addition, our reliance on proprietary technology, third party applications and data, and investment models. Oak Thistle's investment strategies are all subject to additional risks which are detailed below.

Risk of Loss

Quantitative Strategies and Trading. Quantitative strategies and execution techniques cannot fully match the complexity of the financial markets and therefore sudden unanticipated changes in underlying market conditions can significantly impact the performance of those strategies and techniques. Further, as market dynamics shift over time, previously successful strategies and techniques can become ineffective simply because they're outdated. In some cases, these shifts may take place without the firm recognizing the changes, and substantial losses could be incurred as a result. Even if our strategies remain applicable to current conditions and dynamics, effectiveness can deteriorate or become unpredictable for a number of reasons including, but not limited to, an increase in the amount of assets we manage and the use of similar strategies by other market participants. Generally, successful strategies tend to be employed by more and more market participants over time. This could lead to many market participants taking the same actions as Oak Thistle at the same time we do. Some of those market participants could be substantially larger than us or our clients. Should one or more of these other market participants begin to divest themselves of one or more positions, a "crisis correlation," independent of any fundamentals and similar to the crises that occurred, for example, in September 1998 and August 2007, could occur, thereby causing our clients to suffer material, or even total, losses.

Although we generally attempt to deploy market-neutral strategies, this does not mean that clients will not be affected by adverse market conditions similar to those described above and/or others. There can be no assurances that the analytics and techniques implemented will be profitable.

The construction and implementation of our strategies, and the related research and expertise we've developed over time, are considered trade secrets and generally will not be disclosed to clients.

Statistical Measurement Error. The technology we employ relies on patterns inferred from historical data. Even if all of the assumptions underlying the strategies were met exactly, the strategies can only make a prediction, not afford certainty. There can be no assurance that the future performance will match the prediction. Further, most statistical procedures cannot fully match the complexity of the financial markets and as such, results of their application are uncertain. In addition, changes in underlying market conditions can adversely affect the performance of a statistical strategy.

Reliance on Technology. Such dependencies have and will likely continue to increase over time. Our proprietary software code typically serves as the only definitive documentation and specification for how such software should perform. Our technology may be subject to errors, omissions, imperfections and malfunctions, (collectively "coding errors").

We seek to reduce the incidence and impact of coding errors through internal testing and monitoring, and the use of independent safeguards in the overall portfolio management system and often, with respect to proprietary software, in the software code itself. Despite these safeguards, coding errors will result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organize available data, the failure to take certain hedging or risk reducing actions and/or the taking of actions which increase certain risk(s)—all of which can and do have adverse (and materially adverse) effects on clients and/or their returns.

Coding errors are often extremely difficult to detect and resolve, and, in the case of proprietary software, the difficulty of resolving potential coding errors is exacerbated by the lack of design documents or specifications. Regardless of how difficult their detection appears in retrospect, some of these coding errors will go undetected for long periods of time and some will never be detected. The degradation or impact caused by these coding errors can compound over time. Moreover, Oak Thistle will detect certain coding errors that it chooses, in its sole discretion, not to address or fix. While Oak Thistle will not perform a materiality analysis on many of the coding errors discovered in the software code, we believe that the testing and monitoring performed on such software will enable us to identify and address those coding errors that a prudent person managing a process-driven, systematic and computerized investment program would identify and address by correcting the coding errors generally or in a particular application. Clients should assume that coding errors and their ensuing risks and impact are an inherent part of investing with a process-driven, systematic investment manager such as Oak Thistle. Accordingly, Oak Thistle does not expect to disclose discovered coding errors to clients or their underlying investors. Coding errors are generally not considered trade errors.

Oak Thistle seeks, on an ongoing basis, to create adequate backups of software and hardware where possible but there is no guarantee that such efforts will be successful.

Further, to the extent that an unforeseeable software or hardware malfunction or problem is caused by a defect, security breach, virus or other outside force, clients may be materially adversely affected.

Reliance on Data and Technology. Oak Thistle's strategies depend on technology, including hardware, software and telecommunications systems. Further, they rely heavily on the accuracy of our data sources. Our data gathering and processing, research, forecasting, portfolio construction, order execution, trade allocation, risk management, operational, back office and accounting systems, among others, are all highly automated. Such automation is dependent on an extensive amount of software and third-party hardware, any of which could fail for various reasons, and in some cases we may not know about the failure or learn of it well after negative consequences were realized.

If incorrect data are entered into an otherwise well-designed model, the resulting trading decisions will likely be inconsistent with the strategy's objectives. Depending on how central the inaccurate data are, resulting errors could be significant and lead to material losses. Because our trading is automated we rely on system coding to prevent our exceeding identified risk limits. If these risk limits are not properly maintained, or if they fail to anticipate a data or coding error, we could engage in large trades that are inconsistent with the strategy's aim and that result in substantial losses, including losses that exceed the value of a client's investment.

Use of Simulations. Oak Thistle sets expectations for client performance based on, among other things, simulated performance results from portfolio simulations that use historical and simulated data and take into account the size and trading activities of other clients. These portfolio simulations have inherent limitations. For example, these portfolio simulations are designed with the benefit of hindsight and do not represent actual trading; actual returns will be different than those of the simulations. In addition, clients (and investors therein) should note that the interpretation of simulated performance results is an inherently subjective process, requires significant interpretation by portfolio management personnel, and is ultimately based upon the knowledge, expertise and subjective beliefs of portfolio management personnel about the workings of the strategies, techniques and markets. For the avoidance of doubt, differing interpretations of any given portfolio simulation's results are common. There can be no assurance that the future performance of any strategies employed by a client will match any simulated performance results from portfolio simulations.

Political, Social and Economic Uncertainty Risk. Social, political, economic and other conditions and events (such as natural disasters, epidemics and pandemics, terrorism, conflicts and social unrest) occur from time to time, and

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will likely continue to occur. Such events create uncertainty and have significant impacts on financial markets, exchanges, issuers, industries, governments, counterparties, service providers and other systems to which clients and the securities/asset classes in which they invest are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

The foregoing events and related uncertainty can result in or coincide with: increased volatility in the global financial markets; a decrease in the reliability of market prices and difficulty in valuing assets; greater fluctuations in currency exchange rates; increased risk of default (by government and private issuers, service providers and counterparties); inability to purchase and sell assets or otherwise settle transactions (e.g., a market freeze or disruption); substantial rates of inflation; recessions; depressions, difficulties in obtaining and/or enforcing legal judgments; further social, economic, and political instability (which can compound these effects); greater governmental and regulatory involvement in the economy, in financial markets or in social factors that impact the economy (e.g., the imposition of quarantines and/or travel restrictions).

For example, in early 2020, a novel coronavirus (SARS-CoV-2) and related respiratory disease (COVID-19) spread rapidly across the world, including within the United States. This outbreak has led and is likely to continue to lead to disruptions in the worldwide economy. This outbreak and any future outbreaks could have a further adverse impact on world economies and lead to continued market volatility. It is impossible to determine its full potential impact on clients and the issuers in which they invest. Moreover, due to the still emerging nature of this outbreak, reasonable expectations about any of the risks to which a client is subject could prove inaccurate.

Trade Errors. On occasion, errors occur with respect to trades executed on behalf of clients. We have adopted policies and procedures reasonably designed to identify and resolve these errors in a timely manner. When a trade error occurs, we ensure that the client is treated in a manner consistent with our fiduciary duties; our policies and procedures; and applicable law. Unless otherwise required by the sub-advisory agreement, we generally will not notify the client that a trade error has occurred.

Leverage Risk. Oak Thistle regularly employs leverage on behalf of clients through the use of margin borrowing. If a client can no longer utilize margin or post collateral under such lending arrangements, such client could be required to liquidate a significant portion of its portfolio, and trading would be constrained, adversely affecting such client's performance.

Trading on leverage will result in greater risks, exposures, interest charges and costs, which may be explicit (e.g., in the case of loans) or implicit (e.g., in the case of many derivative instruments) and such charges or costs could be substantial. The use of leverage can and will substantially increase the market exposure (and market risk) to which a client is subject. Specifically, if the value of such client's portfolio fell below the margin or collateral level required by a prime broker or dealer, the prime broker or dealer would require additional margin deposits or collateral amounts. If the client were unable to satisfy a margin call, the prime broker or dealer could liquidate the client's positions in the client's account and cause the client to incur significant losses. The failure to satisfy a margin call could trigger cross-defaults under a client's agreements with other brokers, dealers, lenders, clearing firms or other counterparties, multiplying the adverse impact to the client. In addition, because the use of leverage will allow client control of or exposure to positions worth significantly more than the margin or collateral posted for such positions, the amount that such a client may lose in the event of adverse price movements will be high in relation to the amount of the margin amount, and could exceed the value of the assets of such client. Broker-dealers offering margin can change rates and issue margin calls at their discretion, subject to regulatory minimums. Changes could

result in large margin calls, refusal to extend margin, or forced liquidation of positions at disadvantageous times or prices.

Risk of Independent Management, Independent Deleveraging or Liquidation. Oak Thistle will make portfolio decisions based on each client's specific mandate, with the result that decisions we make on behalf of one client may vary materially from the decisions we make on behalf of other clients, including during times of market stress and during liquidation events. Because we employ the same or similar strategies on behalf of many of our clients and because clients often trade the same or similar securities, decision made on behalf of one client could affect another. This impact is likely to be exacerbated during times of market stress and/or during liquidation events. For example, to the extent that our system liquidates or "delevers" all or a portion of one client's portfolio for any reason, such liquidation or deleveraging could adversely affect positions held by other clients or that client's ability to liquidate or delever the same or similar positions, regardless of whether the system will liquidate or delever other clients' portfolios. We may not be able to liquidate or delever portfolios in an orderly fashion, particularly during times of market stress and/or during liquidation events.

Highly Volatile Markets. The prices of securities and other investments can be highly volatile. Price movements of Instruments in which clients trade are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Clients are also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses.

Hedging Risk. Oak Thistle employs hedging for clients by taking long and short positions in related instruments and generally follows a market-neutral approach. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of such portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus seeking to moderate decline. Such hedging transactions also limit the opportunity for gain. Hedging instruments used may not maintain the intended correlation to the investment being hedged or may otherwise fail to achieve their intended purpose. It is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs. Positions that would typically serve as hedges may actually move in the same direction as the instruments they were initially attempting to hedge, adding further risk (and losses) to the client. Oak Thistle may determine in our sole discretion not to hedge against certain risks. Oak Thistle will weigh various considerations in determining the amount of hedging to employ. Among other things, the costs of hedging any particular position or set of positions can be prohibitive, and therefore certain hedging transactions in some cases will not appear appropriate from a cost/benefit perspective. Furthermore, certain risks exist that cannot be hedged.

Short Selling Risk. Short selling is the sale of security the portfolio does not own in the expectation of purchasing the same security at a later date at a lower price. To make deliver to the buyer, the short seller must borrow the security. Borrowed securities are subject to ongoing cash requirements and return at any time upon demand of the lender. The ability to borrow is also subject to strict regulations. If the lender requires the return of borrowed shares prior to the point where Oak Thistle would choose to close the position, the portfolio could be forced to buy back the position at disadvantageous prices and/or substantial losses. A short sale involves the risk of a theoretically unlimited loss from a theoretically unlimited increase in the market price of the security, which could also result in an inability to cover the short position. In addition, there can be no assurance that securities or other instruments necessary to cover a short position will be available for purchase.

Frequent Trading. Oak Thistle's primary strategies involve frequent trading, which results in significantly higher commissions and charges to clients. These charges will reduce client profits.

Possible Adverse Effects of Substantial Withdrawals or Redemptions. In the event that there are substantial investor withdrawals or redemptions from a client in a short period of time, we may find it difficult to adjust our trading strategies to the suddenly reduced amount of such client's assets under management. Under such circumstances, in order to provide funds to satisfy withdrawal or redemption requests, we may be required to liquidate positions at an inopportune time or on unfavorable terms, resulting in a lower value for investors.

Human Discretion. Although Oak Thistle's strategies are reliant on technology, certain portfolio settings and data-related and risk management decisions that comprise our systematic models remain materially reliant on human input. We also retain the ability to alter the systematic models and could, in theory, make tactical changes that conflict with our stated objectives and constraints for the strategies. We would not do so, however, to the extent the change was inconsistent with our fiduciary duties to clients.

Combination or "Layering" of Multiple Risk Factors May Significantly Increase Risk of Loss. Although the various risks discussed in this Brochure are generally described separately, a prospective investor should consider the potential effects on its investment of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to a client may be significantly increased.

Risks Associated with Types of Securities that are Primarily Recommended

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as over the long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Exchange-Traded Products. We may use exchange-traded products ("ETPs"), including, but not limited to, registered investment companies. Investments in an ETP are subject to the fees and expenses of the ETP, which may include a management fee, other fund expenses and a distribution fee. The Investment Company Act places certain restrictions on the percentage of ownership that a private investment fund or registered investment company may have in a registered investment company, including registered investment companies that are exchange-traded. A client's positions in ETPs are subject to a number of risks associated with the management and market conditions of the ETP. These include (but are not limited to):

- (i) **Delisting**—An ETP may be delisted and liquidated at the discretion of its issuer. Should a client hold a position in an ETP when it is delisted, such client may be subject to costs associated with the ETP's liquidation, counterparty risk against the issuer, and additional taxes due to cash distributions from the liquidation.
- (ii) **Market Maker Instability**—The supply and demand of ETP shares are kept in balance by its authorized participants. The authorized participants of an ETP may, purposefully or by mistake, destabilize the supply-demand balance of an ETP, causing tracking error of the ETP to its constituent instruments that may negatively affect the value of an entity's position in the ETP.

(iii) **Hidden Illiquidity**—The liquidity of an ETP is determined not only by the ETP’s own market liquidity but how easy or difficult it is to transact in the ETP’s constituent instruments. If one or more of an ETP’s constituent instruments becomes difficult to buy or sell, the ETP may become difficult to transact or experience tracking error that negatively affects the value of positions held in the ETP.

(iv) **Borrow Availability**—The ability to take short positions in an ETP is subject to borrow availability. The ability to take optimal positions in ETPs may be adversely affected by one or more ETPs becoming hard to borrow.

(v) **Constituent Fluctuation**—ETPs on equity indices attempt to track their underlying indices closely. However, the issuer may in its discretion temporarily introduce ex- index constituents to the ETP, including ex-index equities and foreign currencies. This may introduce risks and tracking error that are difficult to model to the ETP and that may negatively affect the value of positions in the ETP.

(vi) **Additional Taxation**—Depending on the ETP’s structure, investors may be subject to additional taxation on distributions from ETPs. Clients may invest in ETPs listed in countries different from their constituent instruments. These ETPs are subject to additional risks not typically associated with ETPs listed in the same country as their constituents, including (i) movements in currency exchange rates; (ii) significant events that affect the ETP’s underlying value that occur when the ETP’s listed exchange is closed; and (iii) risk factors that arise from trading in foreign instruments.

Non-US Securities. The securities markets of many non-US countries, including emerging countries, have substantially less trading volume than the securities markets of the US, and securities of some non-US companies are less liquid and more volatile than securities of comparable US companies. As a result, non-US securities markets may be subject to greater influence by adverse events generally affecting the market, by large investors’ trading significant blocks of securities, or by large dispositions of securities, than US markets. Since non-US instruments generally are denominated in and settled in non-US currencies, the value of the assets of a client as measured in US Dollars will be affected favorably or unfavorably by changes in the exchange rate between the US Dollar and other currencies. The weakening of a country’s currency relative to the US Dollar will affect, potentially adversely, the US Dollar value of a client’s investments that are denominated in such country’s currency. As a result, a client could realize a net loss on an investment, even if there were a gain on the underlying investment before currency losses were taken into account. Currency exchange rates can be affected unpredictably by controls or restrictions imposed by US or non-US central banks or other governmental agencies in joint or unilateral efforts to alter exchange rate trends. Political developments in the United States or abroad may also affect currency exchange rates. To the extent a client trades securities denominated in non-US currencies, it may be adversely affected by restrictions on the conversion or transfer of such non-US currencies. Oak Thistle may (or may not) seek to hedge these risks by trading currencies, currency futures contracts, forward currency contracts, swaps, or any combination thereof (whether or not exchange traded), but there can be no assurance that such strategies if utilized will be effective. Swaps, “synthetic” or derivative instruments, and certain types of customized Instruments are subject to the risk of non-performance by the other party to the contract. As a result, a default on the instrument may deprive a client of unrealized profits and/or collateral held by the counterparty or may force a client to cover its commitments for purchase or resale of the underlying currency at the then current market price.

In addition, there may be less publicly available information about non-US economies and companies than the US economy and companies. Non-US companies may not be subject to accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to US companies. In addition, in many non-US markets there is less government supervision of exchanges, brokers, dealers and issuers than in the United States. There is a possibility of expropriation or confiscatory taxation, seizure or nationalization of non-US bank deposits, establishment of exchange controls, the adoption of non-US government restrictions or other adverse

political, social or diplomatic developments that could adversely affect any such investment. Some of the instruments may be subject to taxes levied by non-US governments, which have the effect of increasing the cost of such trading and reducing the realized gain or increasing the realized loss on such securities at the time of sale. Income from non-US instruments held by a client may be reduced by a withholding tax at the source. Tax conventions between certain countries and the United States, however, may reduce or eliminate such taxes, and some or all of such taxes may be creditable against the US federal income tax liability of investors which are US taxpayers but may be eliminated or changed at any time.

Price Limits (so-called “Circuit Breakers”). Certain exchanges do not permit trading at prices that represent a fluctuation in price during a single day’s trading beyond certain set limits. If prices fluctuate during a single day’s trading beyond those limits, which conditions have in the past sometimes lasted for several days in certain Instruments, a client could be prevented from promptly liquidating unfavorable positions and thus be subject to substantial losses. In addition, even if futures prices remain within daily limits, it still might not be possible to execute futures trades at favorable prices if little trading or no trading in such futures is occurring at any particular time or times.

Exchange Intervention or Government Intervention in Futures Markets. It is possible that an exchange or a government authority could suspend or limit trading in a particular futures contract or other Instrument, order immediate settlement or order that trading in a particular contract or other Instrument be conducted for liquidation only. This would likely result in losses to a client.

Credit Risk of Prime Brokers and Dealers. Oak Thistle does not select prime brokers, custodians, or other counterparties for its TPA clients (collectively, “counterparties”). Clients assume the credit risk associated with placing cash, margin, collateral and other securities with these counterparties, and the failure or bankruptcy of any of them could have a material adverse impact on the client.

The above summary does not purport to be a comprehensive discussion of all the risks associated with a client’s specific mandate. Because we serve as a sub-adviser to other managers, it is particularly important that end-clients of our TPA clients read and understand the TPA’s disclosure documents and advisory agreement, as well as any fund or other offering materials, as applicable.

Item 9. Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. We have nothing to disclose in response to this Item.

Item 10. Other Financial Industry Activities & Affiliations

Neither Oak Thistle nor our Manager has any other relationships or arrangement that is material to our advisory business or to our clients, except as disclosed below.

We provide non-investment advisory consulting to other investment advisers. This consulting is related to operational concerns, such as how to set up systems to reconcile quantitative models, as well as how to build back-testing methodology. We do learn about these advisers’ investment approach but do not learn about their positions or trading activity in advance and typically don’t learn about specific activities after-the-fact except to the extent we review historical data to help the adviser build or improve its oversight processes. This activity does not interfere with our ability to dedicate time and attention to our advisory clients and we do not believe it poses other conflicts with our clients.

Item 11. Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

To fulfill our responsibilities as a fiduciary, we have adopted a Code of Ethics (the “Code”). The Code incorporates the following general principles that all employees are expected to uphold: (1) putting the clients’ interest first at all times; (2) conducting all personal securities transactions in such a manner to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility; (3) not taking inappropriate advantage of their position; (4) treating all client information as confidential, and (5) maintaining independence in the investment decision-making process.

In addition to guidelines with regard to personal trading, the Code also addresses and governs the giving and receiving of gifts and entertainment, service on outside boards of directors and other outside business activities. Our personnel are required to certify to compliance with the Code on a periodic basis.

Because our trading strategies are automated and transactions are driven solely by the underlying programming, our employees are not aware of trades in advance and, accordingly, they are not able to trade personally in a manner that would disadvantage our clients through the use of non-public information obtained through their roles with Oak Thistle. Similarly, though our employees may trade in liquid equities also traded by our strategies, we do not believe that the trades of our employees would be large enough to disrupt markets or otherwise affect the strategies. We do conduct quarterly reviews of employee trading pursuant to our Code to ensure that our policies are followed and to help us assess their effectiveness.

Please contact us at the telephone number or email address listed on the first page of this Brochure if you would like to receive a full copy of our Code of Ethics.

Item 12. Brokerage Practices

Oak Thistle executes trades in accordance with the TPA’s sub-advisory agreement with us. We do not selector or recommend brokers or custodians, except as directed by the TPA.

We do not receive research or other products or services other than execution from a broker-dealer or third party (“soft dollar benefits”) in connection with client securities transactions.

Our TPA clients require that we execute transactions through specified broker-dealers (“directed brokerage”). Because we are executing transactions as directed by the client, we may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost clients more money. For example, clients may higher brokerage commissions because we are not able to aggregate orders from different clients to reduce transactions, or because we may be able to obtain a better price on a specific trade by using a broker we are not permitted to trade with.

We do review the overall quality of our executions, including comparing executions achieved across our client base. If we believe that execution quality is suffering materially because of a directed brokerage arrangement, we will raise the issue with the client and seek a resolution.

Item 13. Review of Accounts

The Chief Investment Officer provides ongoing review of the strategies and their implementation for the client.

We do not provide written reports to clients concerning their accounts.

Item 14. Client Referrals & Other Compensation

We do not have any arrangements in place to compensate third parties for client referrals.

Our arrangement with one fund manager requires that we invest our own capital in a fund that we sub-advise on behalf of the TPA. Losses in the fund will be applied first to the capital we have provided and typically the sub-advisory agreement will be terminated if our losses exceed our own capital (the sub-advisory agreement can also be terminated at any time for other reasons). Oak Thistle is entitled to compensation, including management fees and performance-based fees, on the entire amount of fund assets we sub-advise. The arrangement could be construed as a type of referral arrangement to the extent our equity participation gives us access to a larger capital pool overseen by the TPA.

Item 15. Custody

We do not have custody of any client funds or securities.

Item 16. Investment Discretion

As indicated in Item 4, above, we provide discretionary investment management services to TPAs. We obtain our discretionary authority pursuant to a written agreement that grants us limited power of attorney to trade assets on behalf of the TPA. Any limits on our discretion would be described in the sub-advisory agreement.

Item 17. Voting Client Securities

We do not vote proxies on behalf of clients. End-clients of TPAs should review TPA disclosures and agreements to understand how proxies will be handled.

Item 18. Financial Information

We do not have any financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients. In addition, neither Oak Thistle nor its management persons have been the subject of a bankruptcy proceeding.