

**Item 1: Cover Page**  
**Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure**  
**December 2020**

**Arnie Wrap Program**

**Sponsored by:**

**Arnie Inc.**  
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**San Francisco, California 94131**  
**<https://www.arnieimpact.com>**

**Firm Contact:**  
**Izabel Arnold**  
**Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Arnie Inc. If clients have any questions about the contents of this brochure, please contact us at (415) 676-9197 or [izabel@arnieimpact.com](mailto:izabel@arnieimpact.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #307049.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## **Item 2: Material Changes**

Arnie Inc. is required to make clients aware of information that has changed since the last annual update to the Wrap Brochure ("Wrap Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

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## **Item 4: Services, Fees & Compensation**

Our firm manages assets for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary, it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a robo-advisory practice with multiple channels made available for client input. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

Our firm sponsors and offers a wrap fee program, which allows clients to pay a single fee for investment advisory services and associated custodial transaction costs. Transaction fees will be paid by our firm based on a percentage of the dollar amount of assets in the account(s) or via individual transaction charges. Because our firm absorbs client transaction fees, an incentive exists to limit trading activities in client accounts.

### **Our Wrap Advisory Services**

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#### **The ARNIE Automated Portfolio Platform**

The Arnie APP is a robo-advisory service powered by Arnie Inc. that is centrally focused on making values-aligned investing available to retail clients. Our proprietary software guides clients through the entire investment management process and provides management services that are aligned with each client's personal sustainability, ESG, and impact values. Clients subscribing to the automated advisory services authorize our firm to implement our proprietary portfolio models. As part of the Arnie APP investment management service, clients complete an online personal risk tolerance assessment and provide additional information about their financial goals. This information is ultimately built to work in coordination with supplemental questionnaires that will allow the client to express their sustainability, ESG, and impact priorities. Based on the information provided, the Arnie APP designs and recommends an individually customized portfolio that aims to balance the client's sustainability, ESG, and impact values with their financial goals. Our firm generally creates diversified portfolios of investments consisting of individual equities, low-cost exchange traded funds ("ETFs"), mutual funds, and other similar equity-related index funds, or investment products tailored to the client's specific needs and preferences. The robo-advisory services are implemented in an automated fashion and retail client portfolios are deployed and rebalanced automatically as applicable, following the client's approval of the Arnie APP's recommendations. Information about the client's portfolio is available on the online platform, which includes, among other information, their risk level, chosen values, portfolio performance, and a list of the stocks they own directly along with a list of ETFs, mutual funds, or other investment products they are invested in.. The client can also submit or modify risks preferences, investment objectives, values, investment size and any other restrictions for their accounts directly through the online platform. We will periodically rebalance client portfolios based upon the client's individual needs, stated goals and objectives. However, users may only exclude up to 10 stocks they wish to exclude from their portfolio, for whatever reason.

It is the client's obligation to promptly update their information through the Arnie APP if there are changes to their financial situation, personal circumstances, goals, objectives or if other relevant information changes. Clients should consider that the Arnie APP is not designed to provide clients with a comprehensive financial plan. Arnie's investment advice is dependent on receiving accurate information from clients. If clients provide Arnie with inaccurate information or fail to update client

information promptly when it changes, the quality and applicability of Arnie's recommendations could be materially impacted.

### **Fee Schedule:**

The maximum annual fee charged for this service will not exceed 0.75%. Fees to be assessed will be outlined in the advisory agreements to be signed by the Client. Annualized fees are billed on a pro-rata basis monthly in arrears based on the average end-of-day account value over the entire month. Accounts opened after the first of the month will be billed on a pro rata basis for the portion of the month that they were managed. Generally, fees are not negotiable and will be deducted from client account(s). However, Arnie reserves the right to waive the fee or any part thereof for any period for any Client at Arnie's sole discretion. Our firm does not offer direct invoicing. As part of this process, Clients understand the following:

- a) The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- b) Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm, or a third party we have designated to do so, will send an invoice directly to the custodian; and
- c) If our firm sends a copy of our invoice to the client, legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

### **Other Types of Fees & Expenses:**

In addition to our advisory fees above, clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

### **Termination and Refunds:**

Either party may terminate the advisory agreement signed with our firm for Automated Wrap Advisory service in writing at any time. Upon notice of termination pro-rata advisory fees for services rendered to the point of termination will be charged. If advisory fees cannot be deducted, our firm will send an invoice for due advisory fees to the client.

### **Wrap Fee Program Recommendations:**

Our firm does not recommend or offer the wrap program services of other providers.

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## **Item 5: Account Requirements & Types of Clients**

Our requirements for opening and maintaining accounts or otherwise engaging us:

- Our firm requires a minimum account balance of \$50 for our Automated Wrap Advisory service. This minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;

Arnie will require that retail clients establish brokerage accounts with Folio Investments, Inc. ("Folio"), a registered clearing broker-dealer with the U.S. Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"), to maintain custody of clients' assets and to effect trades for their accounts. Arnie is independently owned and operated and not affiliated with Folio. Folio provides Arnie with access to brokerage services that are related to the execution of securities transactions, custody, analyses and reports, and access to mutual funds and other investments.

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## **Item 6: Portfolio Manager Selection & Evaluation**

### **Selection of Portfolio Managers:**

Our firm's investment adviser representatives ("IARs") act as portfolio manager(s) for this wrap fee program. Retail clients receive automated investment advice directly through the online Arnie APP and as such, they are not assigned individual portfolio managers. Based on information provided by each client, the Arnie APP's algorithms will recommend a custom portfolio. All portfolio management is performed digitally and internally. A conflict arises in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our IARs are subject to individual licensing requirements as imposed by state securities boards. Our firm is required to confirm or update each IAR's Form U4 on an annual basis. IAR supervision is conducted by our Chief Compliance Officer or management personnel.

### **Advisory Business:**

Information about our wrap fee services can be found in Item 4 of this brochure. Our firm offers automated investment services that take each client's financial goals, personal information, sustainability, ESG, and impact values into the Arnie APP's consideration.

Our firm does not usually allow the Arnie APP clients to impose restrictions on more than 10 equities securities due to the level of difficulty this would entail in managing their account. Exceptions will be made on a case-by-case basis.

### **Participation in Wrap Fee Programs:**

Our firm only offers wrap fee accounts to our clients, which are managed on an individualized basis according to the client's investment objectives, financial goals, sustainability, ESG, impact priorities, risk tolerance, etc.

## **Performance-Based Fees & Side-By-Side Management:**

Our firm does not charge performance-based fees.

## **Methods of Analysis, Investment Strategies & Risk of Loss:**

The Arnie APP offers clients two options for choosing the values to align their portfolio with. The first is a set of broad themes that contain a preselected list of more specific values and emphasize issues such as corporate responsibility, sustainable cities, and environmental impact, among other themes. Alternatively, clients may choose a more customized list of values to align their portfolio with by selecting their personal interests from a range of more specific categories and issues. Available metrics fall into three main categories: environmental; social; and governance. The Arnie APP provides explanations of each metric so clients may explore what each metric means and how companies are assessed.

Sustainability and impact values may include the following (Arnie reserves the right to modify these at its sole discretion and without prior notice to clients):

- Environmental: Carbon Neutrality; Sources Locally; Clean Technology; Alternative Energy; Regulates Greenhouse Gases; Renewable Energy; Sustainable Water Use; Reduces Deforestation; Decreases Fossil Fuel Reserves; Reduces Landfill Dumping; Reduces Reliance on Nuclear Power; No Genetic Engineering (non-GMO); Adheres to International Environmental Standards & Agreements; Green Building; Minimizes Chemical Water Runoff; Reduces Toxic Chemical Emissions; Energy Efficiency
- Social: Affordable Housing; Education Services; Customer Privacy; Employee Community Engagement; Products are Not Harmful to Human Health and the Environment; Does Not Support Dictatorial Governments or Authorities; Labor and Human Rights Requirements for Suppliers; Does Not Cause or Support International Conflicts; Workers' and Human Rights; Charitable Contributions; Social Finance; Nutritious Food; Sanitation Products; Benefits Healthcare; Primary Revenue Not from Alcohol; Primary Revenue Not from Adult Entertainment; Primary Revenue Not from Gambling; Primary Revenue Not from Tobacco; Primary Revenue Not from Weapons
- Governance: Board Ethnic and Gender Diversity; Executive Ethnic and Gender Diversity; Independent Board; Pro-LGBTQ Policies; No Discrimination in Pay; No Discrimination in Hiring; Equal Opportunities to Employees; Transparent Workplace Policies; Equitable and Living Wage; Equitable CEO and Worker Pay Distribution; Accurate Financial Reporting; Does Not Engage in Predatory Lending; Safe Workplace; Career Development Opportunities; Quality Employee Benefits; Work-Life Balance; Avoids Major Fines and Legal Violations; Follows Laws & Regulations; Complies with the UN Global Compact; Pays Fair Share of Taxes

The Arnie APP is not structured as a single fund, but rather each client will have a separate account most likely comprised of exchange-traded funds ("ETFs") and individual equities, which they own directly. Allocations are typically limited to publicly traded equities listed on US exchanges, registered mutual funds, ETFs, and money market funds. The selection and weights of each ETF and individual equity (or other investment product, as applicable) depends on several inputs that the client controls. But unlike a trading platform, The Arnie APP does not allow clients to directly influence which securities are held in their account except for the ability to exclude up to ten (10) individual equities. Clients answer questions that assess their financial risk tolerance, which determines the asset allocation of their overall portfolio. Clients are also able to select the

sustainability, ESG, and impact values they care about, which determines how individual equities are weighted in their portfolio. The Arnie APP uses these inputs to construct a personalized portfolio into which the client's capital is invested. Arnie believes that passive investing to generally track market returns is the most efficient and cost-effective way by which many can invest, so allocations are determined using algorithms and rules-based investing. Arnie does not conduct active trading strategies. Although the Arnie APP gives clients choices and controls, the platform handles all the resulting investment recommendations and actions. Therefore, clients are not required to have a certain amount of investment knowledge or experience to utilize the Arnie APP.

Prior to opening an account Clients must complete a questionnaire to allow our firm to assess their financial goals and risk tolerance. The answers to the questionnaire are used to determine the recommended risk level (i.e. expected volatility) of the portfolio. Portfolios are put into one of five risk groups: Aggressive, Moderately Aggressive, Moderate, Moderately Conservative, Conservative. Clients are able to select a different risk level than the one that the platform recommends. Each risk group corresponds to an overall asset allocation, and portfolios are weighted across the following asset classes (Arnie reserves the right to modify these at its sole discretion):

- U.S. Large Cap Equities;
- U.S. Mid-Cap Equities;
- International Developed Equities;
- Emerging Markets Equities;
- Municipal Bonds;
- U.S. Government Bonds;
- Foreign Government Bonds;
- Foreign Government Bonds;
- Corporate Bonds;
- Alternative Assets
  - Treasury Inflation Protected Securities (TIPS)
  - Real Estate Investment Trusts (REITs)
  - Commodities/Natural Resources
- Cash and/or money market funds

All non-equity asset classes are comprised of ETFs, however, the four equity asset classes (i.e. U.S. Large Cap Equities, U.S. Mid-Cap Equities, International Developed Equities, and Emerging Markets Equities) are invested across individual stocks that the client owns directly. Offering equity portfolios comprised of individual stocks rather than ETFs allows for further customization and lets clients avoid fund fees in every asset class. International developed and emerging markets equities will generally be limited to American Depositary Receipts ("ADRs") due to the complexity involved in trading foreign assets. However, Arnie believes the ADRs listed on American exchanges still present a broad enough opportunity set for selecting a diverse set of stocks. ETFs chosen for client portfolios are selected based on criteria such as diversification, liquidity, consistent historical performance, and expense ratios, among other factors.

The Arnie Automated Portfolio Platform utilizes passive index optimization investing to create a customized equity allocation for each client. An index will be chosen for each equity asset class, and the stocks in each index will be re-weighted based on several factors: the sustainability, ESG, and impact values that each client has selected; an assessment of each company through the lens of those values; several financial factors (these may potentially include the stock's current weight in the underlying index, price history, historical correlation to other index constituents and the overall



index, sector, geography, style, market capitalization, and historical volatility). The goal of the optimization is to re-weight each stock in the index relative to its current weight as provided by the index creator, to reflect the sustainability choices that a client has made while still providing a portfolio that closely tracks the underlying index. In this manner, clients are able to allocate money to or away from companies based on how those companies are assessed according to the values they care about. The Arnie APP sources data to make these assessments from several places, including major company sustainability rating providers (MSCI ESG, Sustainalytics, Refinitiv, among others,), NGOs, non-profits, and other organizations. Arnie reserves the right to base the company assessments on any data source it deems appropriate.

Client portfolios may be invested in fractional shares. Fractional shares allow us to give our users a well-balanced diversified portfolio with minimum investment capital.

Client portfolios may be rebalanced as appropriate, at regular intervals, due to changing market conditions, or due to changes in the assessment of a company according to sustainability, ESG, and impact values. Portfolios may also be rebalanced if a client indicates changes to their selected values, personal information, investment objectives, financial situation, or other input.

Please Note: The Arnie Automated Portfolio Platform uses algorithms to advise clients and manage their accounts. These algorithms are developed, overseen and monitored by Arnie personnel. When clients open an account on the platform, these algorithms determine the recommended allocation based on inputs from the client. Algorithms also generate advice regarding investment decisions, including but not limited to allocation selection, automatic rebalancing and account type selection. When clients make deposits or withdrawals from their accounts, an algorithm determines the specific securities to trade based on a client's allocation. These algorithms may not perform as intended for a variety of reasons, including but not limited to incorrect assumptions, changes in the market, and/or changes to data inputs. Arnie may modify periodically these algorithms, or a computer system's code or underlying assumptions, and these changes may have unintended consequences.

**Risk Factors.** Following are some of the primary, but not all, risks that clients may face when investing with Arnie:

**General Investment Risk:** Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and client account(s) could enjoy a gain, it is also possible that the stock market may decrease, and client account(s) could suffer a loss. Arnie cannot guarantee that it will achieve a client's investment objectives. Past performance is not a guarantee of future returns. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in their investments, and ask any questions they may have.

**Market Risk:** Clients should have a long-term perspective and be able to tolerate potentially sharp declines in market value. The prices of securities held directly in a client account or by funds in which client accounts invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations.

**Equity Risk:** Equity securities tend to be more volatile than other investment choices. The value of an individual security or equity fund can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to

additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies. Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, the company's ability to create shareholder value (i.e., increase the value of the company's stock price), exposure to government taxation, and domestic political risk.

**Fixed Income Risk:** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security may decline because investors demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Mutual Funds:** Arnie may recommend open-end mutual funds and Exchange Traded Funds ("ETFs") to implement a client's portfolio. The funds may, in turn, invest in a broad range of equity and fixed income securities, including foreign securities and securities of issuers located in emerging markets. The funds may also invest in equity securities of any market capitalization including micro-, small- and mid-cap companies, real estate, commodities-related assets, fixed income securities of any maturity or credit quality, including high-yield, high-risk debt securities, ETFs, other mutual funds, money market funds, and they may engage in leveraged or derivative transactions. Arnie does not control the investment strategies, policies or decisions of the mutual funds and, in the event of dissatisfaction with such a fund; our only option would be to liquidate clients' investments in that fund. Additionally, to the extent a client's account holds mutual funds or ETFs, the client will bear their portion of the fund's fees and expenses.

**ETF Risk:** A client portfolio may include investment in ETFs which may, in turn, invest in equities, bonds, and other financial vehicles. ETFs are investment companies whose shares are bought and sold on a securities exchange. Most ETF portfolios hold securities designed to track a particular market segment or index, and investments in ETFs may allow a portfolio to gain exposure to a portion of the U.S. or foreign market. Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral, and the liquidity of the supporting collateral. Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

**Foreign Securities Risk:** Arnie typically invests in publicly traded U.S. equities, registered funds and ETFs. However, funds held in a client account may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

**U.S. Government Securities:** Funds in which clients invest may invest in U.S. government securities. U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States.

**Concentration Risks:** Clients invest in diversified portfolios of publicly traded U.S. equities, open-end mutual funds and ETFs, but due to client preferences, some portfolios may be more heavily weighted in a particular type of security, industry, industry sector, geographic location or investment manager. More concentrated portfolios will experience greater risk and volatility. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

**Fractional Shares:** A fractional share is a share of equity that is less than one full share. Fractional share amounts are typically unrecognized and illiquid outside of the Arnie APP and the fractional shares might not be marketable outside the Arnie APP or transferrable to another brokerage account.

**Management Risk:** Arnie's investment approach may fail to produce the intended results. If our perception of the performance of a specific asset class or fund is not realized in the expected time frame, the overall performance of clients' portfolios may suffer.

**Market Data.** Arnie relies on third parties for the provision of market statistics, fund details, performance, and related information and although these parties are generally reliable and reputable, there may be inaccuracies or discrepancies in the information that is beyond Arnie's control.

**Client Information:** Arnie bases its recommendations solely on information provided by clients and relies on the client to provide accurate information. If the client provides inaccurate information, this will impact the quality and relevance of the Arnie APP's recommendations. Further, clients are required to keep such information as up to date as possible so that Arnie can continue to provide relevant recommendations.

**Proprietary Software:** Arnie provides recommendations to clients based on proprietary software that utilizes various quantitative and qualitative models. Such computer-generated recommendations, like all investment recommendations, may be subject to system error. No guarantee or representation is made that the investment recommendations will be successful. Arnie may simply fail to identify favorable investment opportunities or to evaluate those investment recommendations accurately that it does make to clients. Further, as market dynamics (for example, due to changed market conditions and participants) shift over time, a previously highly successful model may become outdated or inaccurate, perhaps without the computer software system

recognizing the change before further recommendations are made. As such, clients are urged to verify any recommendations generated by the Arnie APP with their own legal, financial, tax and economic advisors and to conduct their own due diligence on recommended securities before following any recommendation. The Arnie APP also integrates third-party software in its own proprietary systems, and although Arnie believes these software providers to be generally reliable and reputable, there may be performance issues beyond Arnie's control.

**Account Rebalancing:** Client accounts may be rebalanced from time to time for reasons including, but not limited to, updates to portfolio models and algorithms, market performance, cash inflows/outflows, client adjustment of investment profile or risk tolerance, tax-loss harvesting, a change in underlying securities selected by Arnie, or adjustments to sustainability, ESG, and impact value preferences identified by a client. Account rebalancing may occur at any time and without notice to clients. Rebalancing for any reason may trigger taxable events and may cause accounts to hold versions of similar securities to ensure avoidance of wash sales. All rebalancing is automated by the Arnie APP for simplicity of execution and is therefore subject to potential automation errors. In the event of a market downturn, it is possible that the rebalancing will sell securities in now overweight sectors to purchase additional shares of securities that are now underweight, which could exacerbate losses in such an environment. Arnie reserves the right, in its full discretion, to halt account rebalancing in the best interests of clients

**Tax-Loss Harvesting:** Arnie will automatically engage in tax-loss harvesting where it is deemed appropriate. Notwithstanding this, Arnie does not provide any comprehensive tax advice and makes no guarantee that such tax-loss harvesting will be successful. Tax-loss harvesting efforts may potentially lead to clients holding multiple similar securities to ensure avoidance of wash sales. In some instances, this may affect account performance and may temporarily reduce portfolio diversification.

#### **Voting Client Securities:**

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

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### **Item 7: Client Information Provided to Portfolio Manager(s)**

All accounts are managed by our in-house licensed IARs. The IAR selected to manage the client's account(s) or portfolio(s) will be privy to the client's investment goals and objectives, risk tolerance, restrictions placed on the management of the account(s) or portfolio(s) and relevant client notes taken by our firm. Please see our firm's Privacy Policy for more information on how our firm utilizes client information.

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### **Item 8: Client Contact with Portfolio Manager(s)**

Clients are always free to contact us at [support@arnieimpact.com](mailto:support@arnieimpact.com) with any questions or concerns about their portfolios or other matters.

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## Item 9: Additional Information

### Disciplinary Information

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There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

### Financial Industry Activities & Affiliations

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Our firm has no other financial industry activities and affiliations to disclose.

### Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

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As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day.

## **Review of Accounts**

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Arnie periodically reviews client accounts on the Arnie APP to ensure they are in-line with the expected portfolio output based on the client's financial goals, sustainability, ESG, & impact values, and other client inputs. Arnie management personnel review accounts for The Arnie APP clients on at least an annual basis.

Client accounts may be reviewed more frequently than described above. An off-cycle review of an account may be triggered by external factors including, but not limited to, major market or economic events, changes to a client's financial situation, goals, risk tolerance, or values selection, notable events that would significantly change a security's weighting in a portfolio, or upon the client's request.

Our firm does not provide written or verbal reports to clients. Information about the client's portfolio is available on the online platform, which includes, among other information, their risk level, chosen values, portfolio performance, and a list of the stocks they own directly along with a list of ETFs, mutual funds, or other investment products they are invested in. Arnie aims to provide accurate, up to date records on the online platform, but clients should be aware that the official books and records for their accounts are held with the custodian. Clients are able to access their portfolio information directly from the custodian. This information may include, but is not limited to, current market values of all portfolio assets, trade records, withdrawal and deposit records, and fees deducted.

## **Other Compensation**

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Except for the arrangements outlined above, our firm has no additional arrangements to disclose.

## **Client Referrals**

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Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

## **Financial Information**

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Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- Our firm has never been the subject of a bankruptcy proceeding.