

Form ADV Part 2A: Firm Brochure

3EDGE Asset Management, LP

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This brochure provides information about the qualifications and business practices of 3EDGE Asset Management, LP (“3EDGE”). If you have any questions about the contents of this brochure, please contact Kristi McDermott, Chief Compliance Officer (“CCO”) at (844) 903-3343 or email compliance@3edgeam.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about 3EDGE is also available on the SEC’s website at: www.adviserinfo.sec.gov.

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

Item 2: Material Changes

Since the last annual update of its Form ADV Part 2A on March 30, 2019, 3EDGE has made the following material changes:

- Item 5 – 3EDGE added language to disclose the management fee being charged for the Income Plus strategy.
- Item 8 – 3EDGE added a disclosure related to “unforeseen risks.”
- Item 17: 3EDGE amended this section to disclose that 3EDGE will no longer vote proxies for any securities.
- 3EDGE closed the 3EDGE Global Opportunities Non-QP Fund, LP effective 8/31/2019. 3EDGE will be winding down the 3EDGE Global Opportunities Fund, LP and 3EDGE Global Opportunities Fund (Offshore), Ltd. The Private Funds will be liquidated effective 3/31/2020, pending final payment of investor holdbacks after completion of the final audit. Upon closure of the private funds, 3EDGE will only manage separately managed accounts.

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Item 4: Advisory Business

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

Private Funds

3EDGE currently serves as the investment manager and provides discretionary advisory services to two private investment vehicles, which are organized as a "master-feeder" structure. These funds will be closed effective March 31, 2020. 3EDGE Global Opportunities Fund, LP (the "Master Fund") is organized as a Delaware limited partnership and 3EDGE Global Opportunities Fund (Offshore), Ltd. (the "Feeder Fund") is organized as a Cayman exempted limited company. Collectively, all funds are referred to as the "Private Funds." An affiliate of 3EDGE, 3EDGE General Partner, LP, serves as the general partner to 3EDGE Global Opportunities Fund, LP (the "Fund General Partner"). The Feeder Fund has a board of directors overseeing its operations. Assets of the Private Funds will be managed in accordance with the terms of each Private Fund's confidential Private Placement Memorandum, the Investment Advisory Agreement between 3EDGE and the Private Funds and the respective fund's limited partnership agreement (the "Fund Governing Documents"). Investors in the Private Funds will have no ability to direct or restrict investments by the Private Funds in any capacity.

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

Separately Managed Accounts ("SMA")

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

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

As of December 31, 2019, 3EDGE had approximately \$898.9 million in discretionary assets under management. 3EDGE does not currently manage any Client assets on a non-discretionary basis.

Model Portfolio Investment Recommendations

3EDGE provides model portfolio investment recommendations to outside investment advisors without providing trade execution or other services. Such recommendations are provided only after

Client trades have been placed. 3EDGE's fees for its services are negotiated directly with the investment advisor.

Item 5: Fees and Compensation

General

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

Private Funds

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

Management Fee

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

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

Performance Allocation

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

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

Compensation Based on the Sale of Private Funds' Interests versus SMA Strategies

Certain employees of 3EDGE are registered representatives of an un-affiliated broker-dealer and will receive a portion of the Private Funds' management fees paid by Investors for whom they solicited the purchase of a Private Fund interest. These same employees will also be compensated based on a portion of the management fees charged to a Client that they solicit to invest in one of 3EDGE's SMA strategies. Since these employees have the ability to recommend either a Private Fund investment or one of 3EDGE's SMA strategies to qualified investors, a potential conflict of interest exists as the management fees charged to Private Fund Investors differs from the

management fees charged to SMA Clients. As a result, employees managing Client relationships will receive different compensation from Private Fund Investors versus SMA Clients. To help mitigate this potential conflict of interest, a 3EDGE Partner reviews all new SMA Client and Private Fund Investor relationships referred by registered representatives to ensure the most appropriate investment recommendation has been implemented. 3EDGE discloses this potential conflict of interest by distributing its Form ADV Part 2A to all prospective Clients and Investors prior to their investment in either an SMA strategy or Private Fund.

Private Fund Expenses

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

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

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

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

Separately Managed Accounts

The management fees charged by 3EDGE to SMA Clients are negotiated with each SMA Client or the investment adviser for the SMA Clients we sub-advise. Such management fees are generally

paid quarterly in arrears, or as otherwise provided in the SMA Client's IMA, based on the average market value on each business day during the calendar quarter and prorated for partial quarters. SMA Clients do not pay a performance or incentive fee. 3EDGE generally intends to deduct the Management Fee directly from the SMA Client's custodial account; however 3EDGE (at its discretion) may accommodate SMA Clients who prefer to receive an invoice for the services rendered. 3EDGE's services may be terminated by either party upon written notification in accordance with the terms of the SMA Client's IMA. SMA Clients are responsible for paying for services provided until the termination of the IMA. Management fees charged to investment advisers for accounts we sub-advise are negotiated with each investment adviser and will differ from the fees stated below. SMA Clients who also have investments in the Private Funds may receive an additional fee breakpoint for their SMA accounts. The below fee schedule is the standard fee schedule with the exception of the Income Plus strategy which charges a flat 0.60% annual fee.

Separately Managed Account Standard Fee Schedule

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

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

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

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

Because some Clients' fees will include a performance-based component, 3EDGE has implemented policies and procedures to help prevent any conflicts of interest associated with 3EDGE favoring accounts from which it receives a performance fee. A 3EDGE Partner reviews all new SMA Client and Private Fund Investor relationships referred by registered representatives to ensure the most appropriate investment recommendation has been implemented.

Item 7: Types of Clients

Private Funds

We currently provide discretionary management and advisory services to the Private Funds directly and not individually to the Investors in the Private Funds, though the Private Funds' investments will be liquidated effective March 31, 2020, with final investor distributions to be made upon completion of the final audit. Investors in the Private Funds include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (*e.g.*, funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The minimum commitment for an Investor in the Master Fund and Feeder Fund is \$1,000,000; however, 3EDGE and/or its affiliates can accept lesser amounts in their sole discretion. Investors in the Private Funds will also be required to meet additional suitability qualifications. Investors in the Master Fund and Feeder Fund must be (i) "accredited investors" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act of 1933; (ii) "qualified purchasers" within the meaning set forth in Section 2(a)(51) of the Investment Company Act of 1940 and the regulations thereunder and (iii) "qualified clients" within the meaning set forth in Rule 205-3 under the Advisers Act.

Separately Managed Accounts

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

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

Model Portfolio Investment Recommendations

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

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

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

3EDGE believes that markets tend to be relatively micro-efficient and macro-inefficient. This means that oftentimes market indices tend to outperform individual security selection due to wide

dissemination of information about publicly traded securities. However, when investing across asset classes and geographies at the index level there is far less information available and herein lies the opportunity. Since asset classes at the index level are part of a complex, non-linear, dynamic system they tend to be more difficult to understand and therefore they are generally more apt to be mispriced than individual securities.

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

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

Summary of the Principal Investment Risks

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

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

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

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

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

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

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

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

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

Reliance on Key Employees. The operations of 3EDGE and its strategies are substantially dependent upon the skill, judgment and expertise of the Managing Partners. The death, disability or

other unavailability of the Managing Partners could be material and adverse to 3EDGE and its strategies.

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

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

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

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

Risks specific to Private Funds:

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

Currency Risk. A Client's portfolio may contain investments in multiple currencies. However, the portfolio will maintain its books and intends to pay distributions in U.S. dollars. Accordingly, fluctuations in exchange rates between the U.S. dollar and the relevant local currencies may directly

affect the value of the portfolio's investments and the ultimate rate of return realized by Investors. There can be no assurances that there will not be a recurrence of such fluctuations or exchange controls in the currency exchange rates of any of the countries in which the portfolio intends to invest. In addition, the portfolio may incur costs or delays in connection with conversions between various currencies. 3EDGE may evaluate the use of currency hedging arrangements to mitigate the risk of currency fluctuations and cause the portfolio to enter into such arrangements. However, there can be no assurance that such arrangements will be available, effective or sufficient to mitigate risk.

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

Derivatives. 3EDGE's strategy for the Private Funds will include investing in options and other derivative instruments, including buying and writing puts and calls on some of the securities, currencies and other assets held by the Private funds. The prices of many derivatives are highly volatile. Price movements of options contracts and swap payments are influenced by, among other things, interest rates, market volatility, demand for such products, trade and exchange control programs, other government policies, and national and international political and economic events. The value of options and swap agreements depends upon the price of the underlying securities, currencies or other assets. The Private Funds are also subject to the risk of the failure of any of the exchanges on which 3EDGE trades, as well as their clearinghouses or counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other securities, currencies or other assets. Swaps and certain options and other custom instruments are subject to the risk of nonperformance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Leverage. Use of leverage increases the risk of loss and increases costs. 3EDGE may use leverage in its investment program for the Private Funds, including the use of borrowed funds and investments in certain types of options, such as puts, calls and warrants. Leverage strategies increase the risk of loss. To the extent 3EDGE purchases securities with borrowed funds, net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The interest costs associated with such borrowing will reduce the Private Fund's profits. If the interest expense on borrowings were to exceed the return on the investments made with borrowed funds, the use of leverage would result in a lower rate of return than if leverage was not used.

Investors in the Private Funds should review the Private Funds' governing documents for a more complete discussion of the risk factors associated with an investment in the Private Funds.

Other Risks:

Unforeseen Risks: The securities markets may be subject to unforeseen risks, including political events, terrorism, fraud, acts of God, fire, flood, earthquakes, and outbreaks of an infectious disease, pandemic or any other serious public health concern. These unforeseen risks may have a negative effect on the performance of clients' investment portfolios.

Cybersecurity Risks. As the use of technology has grown, there are ongoing cybersecurity risks that make 3EDGE and its Clients susceptible to operational and financial risks associated with cybersecurity. To the extent that 3EDGE is subject to a cyber-attack or other unauthorized access is gained to its systems, 3EDGE and its Clients may be subject to substantial losses in the form of theft, loss, misuse, improper release or unauthorized access to confidential or restricted data related to 3EDGE or its Clients. Cyber-attacks affecting 3EDGE's or the Private Fund's service providers holding its financial or Investor data may also result in financial losses to 3EDGE's Clients, including the Private Funds and their Investors, despite efforts to prevent and mitigate such risks under 3EDGE's policies. While measures have been developed which are designed to reduce the risks associated with cybersecurity, there are inherent limitations in such measures and there is no guarantee those measures will be effective, particularly since 3EDGE or the Private Funds do not directly control the cybersecurity measures of its service providers and financial intermediaries with which it does business.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities and Affiliations

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

Certain 3EDGE employees are registered representatives of Foreside Fund Services, LLC, an unaffiliated broker-dealer. This arrangement creates a potential conflict of interest related to the compensation of these registered representatives. Please see Item 5: Fees and Compensation, for more information.

3EDGE Asset Management, LP is registered with the CFTC as a commodity pool operator and an NFA Member. Robert Phillips, Managing Partner of 3EDGE, is registered with the CFTC as an associated person of a commodity pool operator. CFTC registration and NFA membership will cease upon closure of the Private Funds.

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

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

3EDGE’s Code addresses, among other things:

- Identification and handling of material non-public information;
- Prevention of insider trading; and
- Reporting and pre-clearance of:
 - o personal securities transactions and holdings;
 - o political contributions; and
 - o outside business activities

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

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

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

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

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

Item 12: Brokerage Practices

Selection of Brokers and Dealers

Separately Managed Accounts

Generally, 3EDGE's discretion to buy and sell securities for SMA Clients, select brokers to effect these transactions and negotiate any commissions or spreads paid on such transactions is established in each Client's IMA. The SMA Client selects their custodian from those custodians with an existing relationship with 3EDGE. 3EDGE currently places SMA Clients' trades through the brokerage division of each Client's custodian, as these custodians charge a "trade away" fee to execute trades at another broker. This extra fee impacts 3EDGE's decision on the appropriate brokers to use to execute SMA Client trades. 3EDGE reviews the brokers that execute SMA Clients' trades on a quarterly basis, to ensure 3EDGE fulfills its obligation to achieve best execution.

Private Funds

3EDGE seeks to obtain best execution for the Private Funds' portfolio transactions by applying several factors to help ensure that trades are placed in the Private Funds' best interest. The lowest brokerage trading fee, while an important factor, is not the sole determining factor but is only one component to consider when striving to fulfill 3EDGE's obligation to achieve best execution. Portfolio transactions generally will be effected through brokers on securities exchanges, directly with the issuer, through an underwriter, market maker or other dealer for the investments. Portfolio transactions will be executed by brokers selected solely by 3EDGE in its absolute discretion.

3EDGE does trade-away for Private Funds as referenced in the below "Step-outs" section. In determining which broker-dealer generally provides the best available price and most favorable execution for the Private Funds, 3EDGE evaluates many factors, including:

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

Step-outs

In seeking best execution for portfolio transactions in the Private Funds, 3EDGE instructs the broker-dealer that executes a transaction to allocate, or “step-out” a portion, or the entirety, of such transaction to another broker-dealer (the “stepped-out broker”). The stepped-out broker would then settle and complete the designated portion of the transaction, and the executing broker would then settle and complete the remaining portion of the transaction that has not been “stepped-out.” At times, there could be multiple stepped-out brokers receiving portions of a trade. Each broker-dealer receives a commission, brokerage fee, markup/markdown with respect to that portion of the transaction that it settles and completes. Certain program sponsors and directed brokers may be unable to accommodate step-out trades. 3EDGE does not currently trade away from SMA Client custodians due to trade-away fees charged by the custodians

Soft Dollars

3EDGE does not engage in soft dollar arrangements.

Order Aggregation and Average Pricing

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

Due to system or market constraints, there may be instances from time to time when 3EDGE cannot complete all aggregated trades for all Client accounts for the same security or securities during the same day. When it is not possible for 3EDGE to complete all trades for all Client accounts during the same day, 3EDGE will use a process to allocate executed trades pro-rata across Client portfolios. There would be some variations in allocations based on account size and security price. The remaining portion of the trade will be executed the following business day(s) at 3EDGE’s discretion.

Cross Trades

3EDGE will not execute any cross trades.

Trade Errors

When effecting trades to implement the investment decisions 3EDGE makes for Client accounts, 3EDGE or a third party may act in a way that results in a loss to a Client account. 3EDGE attempts to detect these “trade errors” prior to settlement and to correct them promptly in a way to seek to mitigate losses. Some but not all acts related to trades that result in a loss in a Client account involve reimbursable errors. 3EDGE bears the cost of correcting certain losses in a Client account that directly resulted from 3EDGE’s acts when 3EDGE’s acts failed to meet the standard of care (e.g.,

gross negligence) that 3EDGE owes to the Client. 3EDGE will reimburse a Client account for the amount of direct financial losses resulting by 3EDGE's acts that failed to meet the applicable standard of care. 3EDGE will make such reimbursement as soon as reasonably practicable after discovery.

3EDGE is not responsible for the costs of, or for reimbursing a Client account for, any loss resulting from any act of a third party, unless the third party is explicitly acting as 3EDGE's agent in providing services to the Client. Third parties who are not acting as 3EDGE's agent include, but are not limited to, a Client's custodian or broker-dealers, banks and intermediaries that execute securities or other transactions for Client accounts. 3EDGE will seek to recover any direct financial losses incurred by a Client account from third parties who are responsible. However, there is no guarantee that 3EDGE will be able to do so and 3EDGE will have no liability therefore.

In determining the amount of direct financial loss incurred by a Client account that may be subject to reimbursement by 3EDGE or a third party, any net gains resulting from a trade error will remain in the Client account. Further, any gains and losses from an act, or series of related acts, will be netted against each other to determine the amount of direct financial loss incurred by a Client, unless prohibited by applicable law. Neither 3EDGE nor a third party will be responsible for tax consequences resulting from any trade error.

Directed Brokerage

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

Model Portfolio Investment Recommendations

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

Item 13: Review of Accounts

All investments will be reviewed and approved by 3EDGE's investment team, which includes Stephen Cucchiaro, Robert Phillips, DeFred G Folts III, Daniel Zraly and Eric Biegeleisen. Investments within the Private Funds and SMA accounts will be reviewed on a daily basis by 3EDGE's investment team.

SMA Clients are given access to an online portal, which includes a summary of each Client's respective portfolio valuation and performance. Quarterly commentary is also provided through this portal. Clients will also receive statements directly from the custodian, either by mail or via the custodian's website. 3EDGE will contact Clients at least annually to review suitability and more

frequently at the Client's discretion. Such reviews will be carried out by 3EDGE's relationship management professionals.

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

Item 14: Client Referrals and Other Compensation

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

3EDGE has engaged placement agents to solicit interests in the Master Fund and Feeder Fund. Any compensation earned for the solicitation of Investors will be paid entirely by 3EDGE.

3EDGE currently has a solicitation arrangement with Fidelity as described below. 3EDGE has developed and implemented policies and procedures regarding the use and compensation of solicitors. In general, we intend to compensate these firms based on a percentage of our annual investment fees paid to us by the referred SMA Clients. The actual percentage paid out by our firm is at our discretion. All solicitation arrangements will be conducted in compliance with Rule 206(4)-3 under the Advisers Act.

Participation in Fidelity Wealth Advisor Solutions®

3EDGE participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which 3EDGE receives referrals from Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser and Fidelity Investments company. 3EDGE is independent and not affiliated with FPWA or any Fidelity Investments company. FPWA does not supervise or control 3EDGE, and FPWA has no responsibility or oversight for 3EDGE's provision of investment management or other advisory services.

Under the WAS Program, FPWA acts as a solicitor for 3EDGE, and 3EDGE pays referral fees to FPWA for each referral received based on 3EDGE's assets under management attributable to each Client referred by FPWA or members of each Client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from FPWA to 3EDGE does not constitute a recommendation or endorsement by FPWA of 3EDGE's particular investment management services or strategies. More specifically, 3EDGE pays the following amounts to FPWA for referrals: the sum of (i) an annual percentage of 0.10% of any and all assets in Client accounts where such assets are identified as "fixed income" assets by FPWA and (ii) an annual percentage of 0.25% of all other assets held in Client accounts. In addition, 3EDGE has agreed to pay FPWA a minimum annual fee amount in connection with its participation in the WAS Program. These referral fees are paid by 3EDGE and not the Client.

To receive referrals from the WAS Program, 3EDGE must meet certain minimum participation criteria, but 3EDGE may have been selected for participation in the WAS Program as a result of its other business relationships with FPWA and its affiliates, including Fidelity Brokerage Services, LLC ("FBS"). As a result of its participation in the WAS Program, 3EDGE has a potential conflict

of interest with respect to its decision to use certain affiliates of FPWA, including FBS, for execution, custody and clearing for certain Client accounts, and 3EDGE has a potential incentive to suggest the use of FBS and its affiliates to its advisory Clients, whether or not those Clients were referred to 3EDGE as part of the WAS Program. Under an agreement with FPWA, 3EDGE has agreed that it will not charge Clients more than the standard range of advisory fees disclosed in its Form ADV 2A to cover solicitation fees paid to FPWA as part of the WAS Program. Pursuant to these arrangements, 3EDGE has agreed not to solicit Clients referred from the WAS program to transfer their brokerage accounts from affiliates of FPWA or establish brokerage accounts at other custodians for referred Clients other than when 3EDGE's fiduciary duties would so require, and 3EDGE has agreed to pay FPWA a one-time fee equal to 0.75% of the assets in a Client account referred from the WAS program that is transferred from FPWA's affiliates to another custodian; therefore, 3EDGE may have an incentive to suggest that referred Clients and their household members maintain custody of their accounts with affiliates of FPWA. However, participation in the WAS Program does not limit 3EDGE's duty to select brokers on the basis of best execution.

Item 15: Custody

As a general rule, all SMA Client and Private Fund assets are held in custody by unaffiliated qualified custodians. 3EDGE is deemed to have custody of those SMA Clients for which we directly debit management fees and of certain SMA Clients as a result of standing letters of authorization ("SLOA") in place from Clients that allow 3EDGE to direct the custodian to send Client funds based on the SLOA. In addition, due to a related person of 3EDGE being the general partner of the Private Funds 3EDGE is deemed to have custody of the Private Funds' assets.

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

Advisers relying on SLOA to make certain disbursements on behalf of the Client may avoid obtaining a surprise asset verification if each such Client provides written instructions to the custodian regarding specific transactions that the Client authorizes the custodian to disburse upon the request of 3EDGE and provides 3EDGE with written instructions that explicitly describe the specific transactions that the Client authorizes 3EDGE to disburse. Further, the custodian must verify these instructions when executing each transaction and confirm these instructions at least annually with the Client. 3EDGE has no ability to change any routing information regarding such disbursements and the Client can terminate such relationship at any time.

Investors in the Private Funds will not receive a statement directly from the Private Fund's qualified custodian. 3EDGE's back office receives the custodial statements and completes a monthly reconciliation of each Private Fund's assets. Pursuant to Rule 206(4)-2 under the Advisers Act, each Fund is subject to an annual audit conducted by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Each Private Fund's audited financial statements, prepared in accordance with generally accepted

accounting principles, are distributed to Investors within 120 days of each Private Fund's fiscal year-end.

Item 16: Investment Discretion

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

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

Item 17: Voting Client Securities

In accordance with its fiduciary duty to Clients and Rule 206(4)-6 under the Advisers Act, 3EDGE has adopted and implemented written policies and procedures governing the voting of Client securities. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies") for all securities managed as part of a 3EDGE Strategy, in a prudent and diligent manner that are in the best interests of all of 3EDGE's Clients. As of April 30, 2020, Clients will have been informed that 3EDGE will no longer vote Proxies on behalf of 3EDGE's Clients. At that point, clients will be responsible for voting all proxies going forward.

3EDGE has retained Broadridge's ProxyEdge voting system for casting votes and for the retention of proxy votes cast and has adopted Egan-Jones' Proxy Voting Principles and Guidelines. Broadridge will continue to provide this service until 3EDGE no longer votes proxies as mentioned previously. 3EDGE will generally utilize Egan Jones' voting guidelines and recommendations when casting votes. However, 3EDGE may also override such guidelines and recommendations on a case by case basis (e.g., when 3EDGE, as shareholder, proposes an item for consideration on the proxy ballot). All votes cast will be in the Clients' best interests. The Broadridge proxy voting system will receive information for all accounts and will reconcile all proxies received and votes cast. Generally SMA Clients and Investors in the Private Funds may not direct 3EDGE to vote in a particular solicitation.

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

Item 18: Financial Information

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